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## Southeast Asia Report

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16 October 1984

## SOUTHEAST ASIA REPORT

## CONTENTS

## AUSTRALIA

Government Reprieves Irian Jaya Dissident (THE AUSTRALIAN, 6 Sep 84).....	1
Daily Views UN Interest in Antarctica (Greg Kelton; THE COURIER MAIL, 1 Sep 84).....	3
Victoria Smelter Investment Sought in ROK (John Lyons; THE AUSTRALIAN, 6 Sep 84).....	5
Mice Plague Threatens \$30-Million Grain Export (THE COURIER MAIL, 1 Sep 84).....	7
Dumpsite for Plutonium Substitute Considered (Peter Terry; THE AUSTRALIAN, 3 Sep 84).....	9
Briefs Anti-Nuclear Warship Bill Introduced	12

## INDONESIA

Murdani: Riots Not Connected With Religion (Gus Kairupan; AFP, 22 Sep 84).....	13
Briefs Comments on 'Foreign Subversion'	15

## KAMPUCHEA

Columnist on Second Anniversary of CGDK (Editorial; Sok Vannak; MOUL KHMER, Jul 84).....	16
Editorial Urges Vigilance for 'Phchum Ben' (Phnom Penh Domestic Service, 21 Sep 84).....	18

VODK on Unified Stand Against Nguyen Co Thach (Voice of Democratic Kampuchea, 26 Sep 84).....	20
VODK on UN Discussion of SRV 'Aggression' (Voice of Democratic Kampuchea, 27 Sep 84).....	23
VONADK Reports on Battlefield Activities (Voice of the National Army of Democratic Kampuchea, 28, 29 Sep 84).....	25
Attack on SRV Battalion Mutiny of SRV Soldiers	
Briefs	
'Bandit' Group Ambush Reported	26
Company 'Kor-1' Reports Combat Activity	26
Bridge, Road Repairs Reported	26
LAOS	
Resistance Activity, Attoupeu Reeducation Camp (ATHIT KHLET LAP, 4-10 Aug 84).....	27
MALAYSIA	
Kuala Lumpur on Trade, Aid Accord With Italy (Kuala Lumpur International Service, 27 Sep 84).....	29
Clarification of Status of Indonesian Illegal Immigrants Urged (SIN CHEW JIT POH MALAYSIA, 6 Aug 84).....	30
Comments on Ethnic Polarization (Editorial; SIN CHEW JIT POH MALAYSIA, 9 Aug 84).....	31
Briefs	
Lim on Ethnic Polarization	33
NEW ZEALAND	
Five Trade Agreements Signed With PRC (THE EVENING POST, 13 Sep 84).....	34
Reportage on Economic Summit Conference (THE EVENING POST, various dates).....	35
Lange Addresses Opening, by Peter Bale 'Redistribution of Wealth' Lange Addresses Final Session Communique Reported, by Peter Bale Summit Success for Lange Editorial Questions Value of Summit	

Reportage on Labor Party Conference (Various sources, various dates).....	45
Lange on Economy, Foreign Policy Paper Reports Resolutions, by Brian Woodley Editorial Criticizes Party Resolutions	
Shortage May Prompt Timber Imports Until 1990's (THE NEW ZEALAND HERALD, 13 Sep 84).....	52
Letters Express Public Support on Nuclear Ship Ban (THE EVENING POST, 12, 15 Sep 84).....	54
'People Are More Secure' Emulate Greece's 'Example'	

#### PHILIPPINES

Columnist on Significance of PRC Mayor's Visit to Davao (Gil Abarico; THE MINDANAO DAILY MIRROR, 6 Sep 84).....	56
Business Closures Illustrate 'Adverse Economic Condition' (THE SYDNEY MORNING HERALD, 27 Aug 84).....	57
Paper on Development of Workers Struggle (Ave Perez Jacob; ANG PAHAYAGANG MALAYA, 16 Sep 84).....	58
Anti-Insurgency in Two Provinces Contrasted (Editorial; PEOPLE'S DAILY FORUM, 2 Sep 84).....	62
Officer, Three Troops Killed in Mindanao Ambush (THE MINDANAO DAILY MIRROR, 2 Sep 84).....	64
'Terrorists' Destroy 8 Million Pesos Worth of Logging Gear (PEOPLE'S DAILY FORUM, 2 Sep 84).....	65
Joint Forces Kill Three 'Terrorists' in Davao del Sur (THE MINDANAO DAILY MIRROR, 6 Sep 84).....	66
Editorial on Military 'Protection Racket' (METRO MANILA TIMES, 21 Sep 84).....	67
Bataan Nuclear Plant Repairs to Cost \$50 Million (Mariam Soraya; METRO MANILA TIMES, 21 Sep 84).....	69
Briefs	
Central Bank Moves on Debts	71
Bomb Threat	71
Editor Slain	71
New Marine Commandant	71

## THAILAND

Paper Calls for Adherence to Democracy (Editorial; THAI RAT, 21 Sep 84).....	72
Broadcast Recounts Alleged SRV Misdeeds (Bangkok Voice of Free Asia, 27 Sep 84).....	74
MATICHON on Danger of 'Ultrarightist Soldiers' (MATICHON, 25 Sep 84).....	76
Thailand-Chile Trade Goals; Fund Urged for Eastern Seaboard (BANGKOK POST, 24 Aug 84).....	78
Income Repatriation From Libya (BANGKOK POST, 10 Sep 84).....	79
Israel Signs Trade Pact (BANGKOK POST, 20 Sep 84).....	80
'Oil Share' Fund Entrepreneur, Methods Described (BANGKOK POST, 15, 20 Sep 84; THE NATION REVIEW, 29 Aug 84).	82
'Mae Chamoy' Profiled Academics Warn of Problems Athit Warns 'Hands Off' System Described	
Official Forecasts Fuel Oil Surplus in 1985 (BANGKOK WORLD, 15 Sep 84).....	87
Royal Family Eating Habits Described (BANGKOK WORLD, 14 Sep 84).....	88
Briefs Prince Visits Police Station	89

## VIETNAM

### MILITARY AFFAIRS AND PUBLIC SECURITY

Importance of Stockpiling Ammunition, Firepower Discussed (Phan Quoc Tam; TAP CHI QUAN DOI NHAN DAN, Jul 84).....	90
Loc Binh District Builds New Defense Line (Hanoi Domestic Service, 24 Sep 84).....	95

## INTERNATIONAL RELATIONS, TRADE AND AID

Libyan Envoy Celebrates Revolution Anniversary (VNA, 22 Sep 84).....	96
Indian Military Delegation Visits Vietnam (VNA, 25 Sep 84).....	97
Briefs	
Delegation Visits Laos	98
Genetic Engineering Statute Signed	98
Pham Van Dong Receives FRG Envoy	98
Defense Minister Greet Mozambican Counterpart	98
Phoumi Vongvichit Attends Soccer Match	99
Outgoing Thai Envoy	99
Group Leaves for Ulaanbaatar	99
Greetings to YAR Leaders	99
Pham Van Dong Receives DRA Envoy	100
Lao Delegation Ends Visit	100
Delegation Returns From Hungary	100
Le Duan Gables Burmese Leaders	100
New Hungarian Envoy	100
Soviet Aid to Teacher's College	100
Youth Activities in CSSR	101

## ECONOMIC PLANNING, TRADE AND FINANCE

Southerners Resent 'Carpetbagger' Administration (Erhard Haubold; FRNAKFURTER ALLGEMEINE ZEITUNG; 27 Aug 84).....	102
---	-----

## AGRICULTURE

Briefs	
Nghe Tinh Grain Delivery	106
Long An Embankment	106

## PUBLICATIONS

July TAP CHI QUAN DOI NHAN DAN Table of Contents (TAP CHI QUAN DOI NHAN DAN, Jul 84).....	107
--	-----

## DISSIDENT EMIGRE PRESS

Emigre Publication Details Soviet Control of Cam Ranh Bay (Le Anh Tuan; TIN VIET NAM, No 38, Apr 84).....	108
State Policy Blamed for Drop in Vegetable Production (Hoang Van Chau; TIN VIET NAM, No 38, Apr 84).....	113

GOVERNMENT REPRIEVES IRIAN JAYA DISSIDENT

Canberra THE AUSTRALIAN in English 6 Sep 84 p 2

[Text] THE Federal Government moved yesterday to defuse a row over the planned deportation of a man who claims to be an Irian Jayan dissident by granting him a four-week reprieve.

The Government had previously rejected an application by Mr Mathew Mayer for refugee status or permanent resident status, telling him he should return voluntarily to Papua New Guinea where he has been living for the past 12 years.

Mr Mayer, 37, arrived in Australia on June 25 in fear for his life. His flight from his homeland was sponsored by the Opposition in PNG, which believed that Mr Mayer would be killed if he remained in the country, where he had been fighting for West Irian's independence.

Now, following reports about him in the PNG press, Mr Mayer has asked to stay in Australia permanently.

Among the reports were suggestions that he was an operative of the PNG intelligence organisation, a member of terrorist organisations, and an arms dealer who came to Australia to buy arms for the freedom fighters, the OPM (Free Papua Movement).

Mr Mayer emphatically denies all allegations, but concedes they have harmed his standing among his people.

He believes he will be killed if he is forced to return to PNG because the Government would immediately hand him over to the Indonesian authorities. "They've killed thousands and thousands," he claimed.

But the Minister for Immigration and Ethnic Affairs, Mr West, said the Government had previously had an undertaking from the PNG Government that he would be able to return to PNG and would not be returned to the Indonesian authorities.

Mr West said the Government's change of heart came when it received news from the PNG Government yesterday morning that it was reviewing its position concerning Mr Mayer's re-entry into the country.



Absolute

Mr West said he had decided that the Government would seek an absolute confirmation from the PNG Government that they would allow Mr Mayer to re-enter the country and would not return him to Indonesian authorities.

It is understood that Australia's High Commissioner in PNG, Mr Robert Birch, has been instructed by the Government to get the undertaking in writing.

Mr West said when he received the reply it would be conveyed to the Committee for the Determination of Refugee Status.

Mr West went to considerable trouble to justify why the Government refused to accept Mr Mayer's initial application.

He said Mr Mayer arrived in Australia on June 25 on a three-week visitor visa and applied for refugee status on July 3, alleging that his previous involvement with the OPM could mean that he would face imprisonment by the Indonesian authorities if he returned to PNG.

The application was referred to the Committee for the Determination of Refugee Status which recommended the application be rejected.

Mr West said: "I endorsed that rejection because of the discrepancies which emerged."

Mr West said he believed the discrepancies "cast extreme doubt on the veracity of his evidence."

He said Mr Mayer then applied for a change of status to permanent resident on compassionate grounds. "I considered that in due course and then rejected it on the grounds that the arguments for compassion were insufficient." He ordered that he depart voluntarily by August 31.

Despite strong doubts in some quarters about Mr Mayer's stated belief that he needs political asylum, a Queensland group which includes some State MPs, wants the Queensland Trades and Labor Council to ban all airline flights that may take Mr Mayer out of Australia if the Government tries to deport him.

CSO: 4200/10

DAILY VIEWS UN INTEREST IN ANTARCTICA

Brisbane THE COURIER MAIL in English 1 Sep 84 p 4

[Article by Greg Kelton: "Keeping a Foothold in Antarctica"]

[Text] THE 39th General Assembly of the United Nations which gets underway in New York late in September will focus attention on a number of issues very important to Australia.

One will be the report of a UN mission to the Cocos Islands for the act of self-determination in April this year.

But more important will be the discussion of a special UN report on the future of the Antarctic territory--the closest continent to Australia, and one in which this country has invested a large amount of money and human resources over the years.

As a report from a Melbourne-based Antarctic research advisory unit said earlier this month, Australia could lose its voice in the future of the Antarctic region unless urgent government action was taken.

The report of the unity, headed by Melbourne University vice-chancellor Professor David Caro, said that unless Australia started spending more money on research, it would not be able to benefit from any mineral or biological exploitation of Antarctica. This was especially crucial with the Antarctic Treaty due to be reviewed in 1991.

At the 38th General Assembly, a number of countries, led by Malaysia, suggested that it might be appropriate to revise or replace the Antarctic Treaty which governs the huge icy mass at the South Pole.

Malaysia and its supporters claimed at the time that the treaty which is virtually governed by a small number of countries, including Australia, is anachronistic and discriminatory, that claims to sovereignty over the territory are colonialistic and that the benefits derived from the exploitation of Antarctic resources should be shared as the "common heritage of mankind."

Malaysia believes that the developed countries are secretly and exclusively using Antarctica and not sharing developments in the region with the under-developed countries.

As a result of Malaysia's move, the UN Secretary-General was asked to report on the treaty and that report will go to the General Assembly for the coming session to debate.

At the forthcoming General Assembly, Malaysia is almost certain to propose that a UN Special Committee on Antarctica be established to control the region.

Australia, and the other signatories to the treaty, are bitterly opposed to any move which would see a "universal regime" controlling the icy wastes of Antarctica.

For a start, Australia is one of seven countries claiming sovereignty over parts of Antarctica--the others being Argentina, Chile, France, New Zealand, Norway and Britain.

Australia's Antarctic territory covers about six million square kilometres--about the combined size of WA, the Northern Territory and Queensland.

No other country has made claims to Antarctic territory and apart from Australia, France, New Zealand and Britain, which mutually recognise each other's claims, no other country recognises any claims to Antarctica.

The US and the Soviet Union, however, have stated that they have a basis to make claims, although neither has expressed any firm intention to do so.

The Antarctic Treaty was signed in 1959 by the 12 nations which had maintained stations in the territory during the International Geophysical Year of 1957-58 and it came into force in 1961.

The treaty stipulates that Antarctica should forever be used exclusively for peaceful purposes and should not become the scene or object of "international discord." Nuclear explosions and disposal of radio active wastes in Antarctica are prohibited as are "any measures of a military nature."

Australia, for its part, is going to put up a very strong case in the UN for the retention of the Antarctic Treaty in its present form.

According to informed sources, Australia does not regard the description of claims to sovereignty in anti-colonial terms as appropriate. It lies immediately to our south and because of geographical proximity, Australia has legitimate and important interests in relation to it.

Australia and the six other countries maintain national territorial claims as well as permanent stations in the area and believe therefore that Antarctica is not beyond national jurisdiction.

Also of concern to Australia is the fact that the concept of a "common heritage" hints at strong developmental moves in the Antarctic, something it does not regard as appropriate because the icy wastes are environmentally vulnerable and must be safeguarded.

VICTORIA SMELTER INVESTMENT SOUGHT IN ROK

Canberra THE AUSTRALIAN in English 6 Sep 84 p 3

[Article by John Lyons]

[Text] SOUTH Korean equity in Victoria's \$1150 million Portland aluminum smelter is almost certain following the announcement yesterday by the Premier, Mr Cain, that he will visit South Korea with Alcoa of Australia representatives for talks with the construction giant Hyundai Corporation.

Mr Cain told State Parliament that two possible joint venturers had signed preliminary agreements to take up 25 per cent equity in the project--the Hyundai Corporation for 10 per cent and the Commonwealth Superannuation Fund Investment Trust (SFIT) for 15 per cent.

The State Government already has said it will take a 25 per cent equity share and that Alcoa would take 45 per cent, leaving only 5 per cent uncommitted if the proposed venturers agree to take equity shares, which is almost certain.

The Hyundai Group, one of the largest business conglomerates in South Korea, is among the top five construction firms in the world, with a total turnover last year of \$A13.2 billion.

The Hyundai Corporation--the trading and marketing arm of the group--had a turnover of \$3.4 billion last year.

The SFIT manages the superannuation fund, which covers about 300,000 Commonwealth public servants and employees of some Commonwealth statutory authorities. The trust has net assets of more than \$2 billion and invests only in Australia.

Mr Cain said the fund's involvement in the project would satisfy Australian equity requirements under foreign investment guidelines.

The Premier's overseas trip, beginning next Monday, will also take him to Tokyo and Hong Kong, where he will continue discussions initiated by the State Treasurer, Mr Jolly, aimed at convincing foreign banks that they should be based in Melbourne, rather than Sydney.

Mr Cain said Alcoa had spent about \$330 million to date to bring the smelter to its existing state. As consideration for achieving ownership of 25 per cent of existing assets, the Government had made an entry price payment to Alcoa of \$40 million--or \$1.6 million per 1 per cent equity share.

#### Commodities

The managing director of Alcoa Australia, Mr John Diedreich, said he was delighted at the progress made since July 31 when the Victorian Government and Alcoa had reached an agreement which ensured that the project would go ahead.

The Hyundai Group consists of 24 affiliates and is involved in most of South Korea's key industries including engineering and construction, ship-building and repairing, industrial plants, automobiles and rolling stock, metals and machinery, maritime transportation and construction materials, as well as finance, securities and international trade.

Mr Cain said the SFIT provided sound Australian equity.

However, the Leader of the Opposition, Mr Kennet, yesterday told Parliament a State Liberal government would sell the Government's investment in the Portland smelter to private enterprise.

He said it would seek--within the bounds of commonsense and economic viability--to return the 25 per cent government equity to private business.

But he pledged he would not jeopardise the smelter project.

CSO: 4200/10

AUSTRALIA

## MICE PLAGUE THREATENS \$30-MILLION GRAIN EXPORT

Brisbane THE COURIER MAIL in English 1 Sep 84 p 15

[Text] SYDNEY.--New South Wales' \$30 million export grain crop is under threat from both a mice plague and the poison used to control them.

Farmers warned the NSW Government they would risk spraying the chemical bromadiolone in six weeks if nothing was done about a mice plague which has spread through the NSW wheat belt.

Bromadiolone is an approved perimeter bait chemical which is banned from in-crop use because of unknown residual effects.

Health and research workers say extensive spraying could have "horrific, far-reaching effects".

A loss of crops this year would mean the fifth year of hardship for farmers, who have faced heavy losses through drought for the past four years.

The Livestock and Grain Producers Association chief executive, Mr John White, said the loss of this year's crop would force many out of business.

"It is tragic the Agriculture Department has not been able to find a safe chemical.

"At present, if a farmer sprays a perimeter chemical in-crop, he takes the risk of grain rejection at the market this year, and no one is clear on the amount of chemical residue spraying with bromadiolone will cause."

If farmers decide to spray they would be liable for prosecution, according to the Department of Agriculture, which has labelled the threat as "totally irresponsible".

A department spokesman, Mr Simon Dixon, yesterday said the chemical had been banned for good reasons and the reputation of the NSW primary sector would be severely damaged if farmers carried out the threat.

"The Government is Not God--the plague is a natural phenomenon and we have no control over it," he said.

"The farmers will just have to grin and bear it."

A spokesman for the National Health and Medical Research Council, Mr Andrew Charlton, said bromadiolone was commonly used in rat baits at 0.1 percent concentration.

However, he said if it was sprayed on the whole wheat crop the poison would affect water supplies, animals and children, with horrific, far-reaching effects.

The NSW Agriculture Minister, Mr Hallam, said Australia's export market would be threatened if grain was suspected of being contaminated with poison.

CSO: 4200/10

DUMPSITE FOR PLUTONIUM SUBSTITUTE CONSIDERED

Canberra THE AUSTRALIAN in English 3 Sep 84 p 3

[Article by Peter Terry]

[Text] PRELIMINARY discussions have started between the federal and West Australian governments on the construction of a nuclear storage dump for the radioactive element, thorium.

The talks are taking place as part of a detailed feasibility study to create a multi-million dollar industry for the processing and refinement of mineral sands.

Although such an advance could open export markets, it would also produce a new nuclear waste problem.

As a by-product, such a processing plant would produce hundreds of tonnes of thorium, the radioactive element which can substitute for plutonium in atomic weapons.

One way to ensure the Australian product is never available for weapons is to build a local dumping facility.

First details of the move were disclosed exclusively to The Australian yesterday by the West Australian Minister for Minerals and Energy, Mr Parker.

He was speaking in Perth after the State conference of the West Australian Labor Party passed a resolution requiring that thorium be subject to the same strict controls as uranium.

Valuable

Mr Parker said afterwards the wording of the resolution would not threaten development of the mineral sands industry and that in any case, the thorium problem was the subject of federal and State discussions.

He said the suggested storage of thorium did not cut across ALP policy, and conformed to the party's views on non-proliferation--the material would not be allowed to leave the country.



The processing plant feasibility study is being conducted by the State's main mineral sand miner, Allied Eneabba, in partnership with an unnamed overseas company.

Mr Parker said Allied had sought the early involvement of both federal and State governments because of the thorium problem.

He said the element had a radioactive half-life of 14,000 million years and would need to be stored forever.

There was an alternative to storage--widely scattering the element back into the ground--but it was too early to say which method would be favored.

Mr Parker said he did not view thorium storage as being "the price" that would have to be paid to create the new processing industry.

Other countries, notably the United States, Britain and France, already had storage facilities for thorium and Australia would have no problem building its own.

Mr Parker said discussions with the Federal Government were aimed at sorting out matters of responsibility.

All thorium produced by the proposed plant would become the property of either the Federal Government or the State Government.

It would then be left to a specially appointed authority, such as, but not necessarily, the Australian Atomic Energy Commission, to dispose of the materials.

Mr Parker said Australia had only one storage facility for nuclear waste--at the AAEC's headquarters at Lucas Heights in Sydney.

He said thorium could possibly be stored at Lucas Heights, although it might be necessary to build a special facility in a remote, outback district.

Whatever happened, its existence would put it under international monitoring because Australia was a signatory to the Nuclear Non-Proliferation Treaty.

Mr Parker said in Allied Eneabba's feasibility study it was proposed that \$100 million be spent to build a processing plant for monazite, the principal ore and thorium.

Australia's customers refine the products and extract, as in the case of monazite, rare elements such as phosphates of lanthanides, lanthanum, yttrium and, of course, thorium.

Most of the refined products are used in high-technology industries, and are vital in the manufacture of high-quality optics, certain lasers, electronic devices, and ultra-light-weight magnets.

About 6 per cent of monazite is thorium, which can either be used as a nuclear fuel or an ingredient in nuclear weapons.

However, as there are ample supplies of alternatives, which at the moment are more easy to manage, other countries which buy monazite put their extracted thorium into storage.

CSO: 4200/10

## AUSTRALIA

### BRIEFS

ANTI-NUCLEAR WARSHIP BILL INTRODUCED--The Australian Democrats introduce a bill in the Senate today which, if passed, would prohibit nuclear-powered or armed warships from entering Australian ports. Democrat Leader Senator Don Chipp praised the "courageous moral leadership" of the New Zealand Labour Government in its decision to ban visits of nuclear warships and said his Australian Waters (Nuclear Powered Ships and Nuclear Weapons Prohibition) Bill was based on the New Zealand legislation. [Text] [Wellington THE EVENING POST in English 10 Sep 84]

CSO: 4200/10

INDONESIA

MURDANI: RIOTS NOT CONNECTED WITH RELIGION

BK221235 Hong Kong AFP in English 1129 GMT 22 Sep 84

[By Gus Kairupan]

[Excerpts] Jakarta, 22 Sep (AFP)--A senior army officer has said that the recent riots in Jakarta's port of Tanjungpriok had nothing to do with religion and called on religious communities to discourage inflammatory lectures.

In a speech to military officers yesterday, Indonesian Armed Forces Chief General Benni Murdani also warned against the latent danger of communism and appealed to the officers to convince the religious communities that they have been "manipulated and abused by another group."

So far, official statements about the bloody clashes September 12 have only appealed for calm, without singling out any religious or other interest group.

But on Thursday the army chief of staff reportedly indicated that communists active in the 1965 abortive coup were behind the riots.

Press reports today on General Murdani's speech to the 300 officers of the Armed Forces Mental Guidance Bureau at the Jakarta Garrison Command headquarters, who represented all of Indonesia's major religions, also made no mention of any particular religious group.

Moslems form Indonesia's major religious group, making up 90 percent of the population of some 160 million, followed by the Catholics, Protestants, Buddhists and Hindus.

The clashes were reported to have been between Moslems who had attended a religious service where inflammatory sermons were said to have been delivered, and the security forces. The violence officially left nine people dead and 53 injured, but other reports indicated that as many as 28 people were killed.

General Murdani yesterday put the death toll at 23 in an informal talks with diplomats.

Twenty Moslem dissidents were arrested the week after the riots, the Indonesian Legal Aid Institute said here last Thursday.

General Murdani warned that the Tanjungpriok clashes had been possible because instigators "hid behind the protection of religious teachings," and acquired their "prestige" from the sanctity of houses of worship which they had managed to influence.

He said that these instigators used the religious institutions to fan religious fervor for other purposes.

General Murdani pointed out that religious sermons and speeches had never been banned, and even those which "poison" religious followers had been allowed to go on, as the followers themselves were expected to evaluate them rationally.

He added that the Tanjungpriok incident showed that religious adherents must be protected at all times and kept at a distance from "incitements."

The religious officers in the armed forces had a major role in contributing to efforts "to create a healthy religious life" among the people, General Murdani said, adding that they must carry out their duties as best as they could to prevent them from being subjected to seductions, persuasions, or coercions.

He reminded the people of the available channels to express their opinion, such as parliament, political parties and the Golkar functional groups.

CSO: 4200/8

INDONESIA

#### BRIEFS

COMMENTS ON 'FOREIGN SUBVERSION'--Jakarta, 28 Sep (AFP)--Foreign support for domestic strife and riots will pose a danger to Indonesia over the next decade, Defense Minister Poniman has said. General Poniman yesterday said that past experience had borne out the existence of foreign subversion, in what observers said was a reference to alleged Chinese support for an abortive communist coup in 1965. He also referred in a talk to the parliamentary defense and foreign affairs commission to the so-called 20-year cyclical communist insurgency theory, which holds that an uprising will take place in Indonesia every 20 years or so. The communists struck in Madiun, East Java, in 1948 and again in Jakarta on September 30, 1965. General Poniman said the National Internal Security Command "KOPKAMTIB" had taken the necessary steps to prevent another uprising. KOPKAMTIB is organizing regular "national vigilance" sessions attended by key officers, government officials and leading personalities, he said. He also said Indonesia would not acquire nuclear weapons because Indonesia "not only loves peace, but also will have difficulty acquiring the nuclear bomb technology." [Text] [BK281500 Hong Kong AFP in English 1447 GMT 28 Sep 84]

CSO: 4200/8

## COLUMNIST ON SECOND ANNIVERSARY OF CGDK

Paris MOUL KHMER in French Jul 84 pp 4, 5

/Editorial by Sok Vannak: "Thoughts on Excessive Optimism"/

/Text/ On the second anniversary of the formation of the "CGDK" /Coalition Government of Democratic Kampuchea/, a long statement was issued by the president of the KPNLF /Khmer People's National Liberation Front/ who is also the prime minister of the coalition government. But already, the first question that arises is whether it was truly appropriate to celebrate this anniversary. Because everyone is aware of the fact that the coalition in question, brought about in June 1982 by circumstances and outside pressure, hardly pleased the Cambodian nationalists. Indeed, how could they have been pleased to become--against their will--the "allies" of the Khmer Rouge, perpetrators of a genocide that will never be forgiven nor forgotten by our people? Therefore, it would have been better, we believe, to remain silent on this anniversary, as it would be difficult to consider it a happy one.

This much said, the statement in question has nonetheless caught our attention in some areas which call for thought on our part. It takes stock of the "CGDK's" first 2 years of existence and it does this in a tone that comes too close to being triumphant. We might even say that nearly every paragraph contains a triumphant "feather in one's cap," where we would have rather seen a little more modesty. It is true that gains have been made on the battlefield by the resistance, especially during this last dry season, which has just ended. No one would think of denying it--on the contrary--because all Khmer nationalists were joyed by the success achieved by the KPNLF at the battle of Ampil last April. But the victories belong to the KPNLF and were in no way due to the Khmer Rouge.

In other areas, the statement is much less convincing. It mentions with satisfaction the close collaboration and the common efforts of the three factions of the "CGDK" and the various joint meetings of the leadership. As if the meetings with Khieu Samphan and his acolytes, their hands soaked in blood, could be a source of satisfaction for Cambodians! As to the diplomatic gains made, at the UN in particular, we have already taken an opportunity to state what should be thought of them. Perhaps the "CGDK" finds it encouraging that the yearly UN resolution on the withdrawal of "foreign forces" from Cambodia was approved last year by 105 countries. But, let us state once more that

this in no way reaches the heart of the problem. Hanoi completely disregards the UN resolutions which go unheeded every year and everyone therefore knows full well that the liberation of Cambodia cannot come from the United Nations.

However, as distant as liberation may seem, the statement signed by the prime minister of the "CGDK," dated 22 June 1984, shows great optimism. In particular, it says the following (which we have translated from the English text received from Bangkok): "On the second anniversary of the Coalition Government of Democratic Kampuchea (!), I solemnly declare that it is now too late for Vietnam to dream of a compromise with our resistance movement and our armed forces, and that the three components of the CGDK and the Cambodian people will surely succeed in taking back from Vietnam their peace, their independence and their freedom. It is only a question of when (this will come about)."

We would like to share this optimism, but the "when" has us worried. In fact, everyone knows that all Hanoi needs is time--2 or 3 more years--to complete the Vietnamization of Cambodia. Unfortunately, it is already well under way with the steady influx of Vietnamese "colonists" who occupy our best land and who, in addition, are given Cambodian citizenship by Heng Camrin's puppet government. The question of "when" is therefore of primary importance, because if Cambodia were not liberated until, let us say, 5 years from now, there would no longer be a Cambodian nation. There would only be a Khmer minority submerged in North Vietnamese colonialization. (Let us not forget, in this regard, that communist Vietnam already has a population of 57 million people and that it is estimated that it will have 100 million by the end of the century.) Given these conditions, optimism would be justified only if we were absolutely sure that our country would be liberated in the next 2 years. Is this the case? There is, unfortunately, good reason to be doubtful and we think that it would be better not to continually delude the Cambodians into thinking that all is going well (even if undeniable gains have been made on the battlefield).

Instead, it would be better to speak to our compatriots in realistic terms, like those used by Winston Churchill when he stated to the English at a critical moment in 1940: "I can only offer you blood, sweat and tears." Devoid of any triumphant ring, these words were perfectly understood by the courageous British people. It inspired them with the determination needed to overcome many trials and obstacles and to achieve the final victory. An example to ponder....

12413

CSO: 4219/53



## EDITORIAL URGES VIGILANCE FOR 'PHCHUM BEN'

BK220904 Phnom Penh Domestic Service in Cambodian 2300 GMT 21 Sep 84

[Station editorial: "Heighten Revolutionary Vigilance on the Occasion of Phchum Ben Ceremony"]

[Text] "Phchum Ben" ceremony [a Cambodian festival during which food is offered to Buddhist monks in the hope that such a deed will benefit the spirits of dead relatives] is an important tradition of Kampuchean Buddhists. This traditional ceremony strongly influences the Kampuchean people's sentiments.

Wherever they are and however busy they are, the Kampucheans gather in Buddhist monasteries and make merit for dead relatives. The Pol Pot-Ieng Sary-Khieu Samphan genocidal clique--cheap lackeys of the Beijing Chinese expansionist-hegemonists--completely destroyed this ceremony when they were in power. After the historic victory on 7 January 1979, rights, freedom, and religious beliefs, which are part of the people's spirit and sentiments, were restored and guaranteed by our revolutionary state power so that the people can live peacefully together for the defense and construction of the fatherland. These rights and freedom were clearly inscribed in the 11-point policy of the Kampuchean National United Front for National Salvation, presently the KUFNCD National Council, as well as in the PRK Constitution.

During the past over 5 years, religious rights and freedom have been broadly enjoyed by the people in all localities throughout the country. Kampuchean Buddhists have quickly developed religious achievements. According to the report of the first National Buddhist Monks' conference, there are 1,821 monasteries and 2,311 Buddhist monks [figures as heard]. This religious revival has been the achievement of the front and its council which have always respected the interests, desires, and sentiments of the people.

This is the sixth time that the Kampuchean people have celebrated the "Phchum Ben" ceremony since the Pol Pot clique was overthrown. The Kampuchean people have survived and have the right and freedom to make merit in accordance with their tradition. All of us, including our brothers and sisters who deserted from the enemies' ranks, join hands to celebrate the "Phchum Ben" ceremony in a joyful sentiment to make merit for our parents, grandparents, relatives, revolutionaries, Kampuchean and Vietnamese combatants as well as all our compatriots who sacrificed their lives for the cause of national and class

liberation and who died because of the barbarous acts of the Pol Pot-Ieng Sary-Khieu Samphan-Son Sann-Sihanouk genocidal clique.

In order to celebrate well our "Phchum Ben" ceremony and to ensure safety during these celebrations, we must pay attention and implement well Circular No 1360 and Directive No 17 of the KUFNCD National Council. In particular, we have to heighten our revolutionary vigilance because the enemies do not want us to live in peace at any time. The Pol Pot-Ieng Sary-Khieu Samphan remnants and the Son Sann-Sihanouk reactionary traitors--cheap lackeys of the Beijing Chinese expansionists-hegemonists and the U.S. imperialists--are very angry over our victory and our joy. They profit from lack of vigilance during celebrations as well as working days to destroy our revolutionary gains and our peaceful life. Therefore, all ministries, offices, factories, enterprises, units, work sites, schools, hospitals, Buddhist monasteries, villages, and groups must always heighten vigilance in conformity with the spirit that each inhabitant is both a policeman and a combatant determined to defend his locality to ensure security and social order. This vigilance must be carried out so that our people and Buddhist monks can participate in this ceremony in a joyful atmosphere. We must celebrate this ceremony according to our faith with a thrifty character by avoiding unnecessary expenses which are contrary to Buddha's teachings and are beyond our means.

In parallel with the "Phchum Ben" ceremony, all localities must vigorously intensify agricultural work. In this rainy season, a large quantity of our crops have been damaged by flood and drought. In order to recover from these damages and to fulfill our people's demands, all localities have to intensify agricultural work to achieve rainy season rice cropping before the end of October. These localities also have to intensify floating rice cropping. Furthermore, they must increase intensified rice cropping. Peasants have to take care about water in ricefields, destroy grass, put fertilizers, and destroy pests in order to get high yield. It is also necessary to intensify the growing of subsidiary crops and animal raising.

On the occasion of the "Phchum Ben" ceremony, we should heighten the spirit of mutual respect and friendship. We must raise aloft the banners of national and international solidarity. In particular, we must maintain the bonds of Kampuchea-Vietnam militant solidarity and Kampuchea-Vietnam-Laos strategic alliance. These bonds of militant solidarity and strategic alliance must also be strengthened and must remain forever to preserve our national tradition and to develop our lives.

CSO: 4212/2

VODK ON UNIFIED STAND AGAINST NGUYEN CO THACH

BK270843 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
26 Sep 84

[Station commentary: "Tripartite Kampuchean Resistance Forces Have Unanimously and Firmly Rejected the Le Duan Vietnamese Enemy's Tricky Maneuver Recently Raised by Nguyen Co Thach"]

[Text] The Le Duan Vietnamese enemy aggressors are seriously defeated on the military battlefield. They are more isolated on the international scene, and they have been denounced and condemned by the international community. They are encountering many more difficulties in Vietnam due to the deterioration of their economy and because the Vietnamese people have risen and revolted against their war of aggression in Kampuchea. It is in such a difficult situation that the Le Duan Vietnamese enemy aggressors have staged a new tricky maneuver about the creation of the so-called international neutral committee to control peace in Kampuchea which has been recently peddled by Nguyen Co Thach.

There is nothing new in this Vietnamese enemy's maneuver. This maneuver is aimed at dividing the CGDK and the international front which has assisted and supported the Kampuchean people's struggle. It also seeks to mislead and confuse the international community into believing that the Vietnamese have changed their aggressive stand on Kampuchea and have shown flexibility to resolve the Kampuchean problem. The Vietnamese enemy aggressors have attempted to make the international community follow their tricky maneuver, cease its pressure on them, and abandon its demand for their complete and unconditional troop withdrawal from Kampuchea to let the Kampuchean people determine their own destiny in compliance with the UN resolutions. In particular, the Vietnamese have staged this tricky maneuver in an attempt to reduce the international community's pressure during the 29th UN General Assembly session. But the Le Duan Vietnamese enemy aggressors can dupe nobody. In fact, when this Vietnamese tricky maneuver was raised, it was exposed and denounced by the international community.

Tripartite Kampuchean resistance forces have unanimously agreed in their views and stands that this new Vietnamese maneuver is a complete tricky maneuver. They have separately issued communiques rejecting and denouncing this tricky maneuver. On 12 September, Son Sen, member of the CGDK Coordinating Committee for National Defense, stated: The recent statement on the Kampuchean problem

made by Nguyen Co Thach in Hanoi is just another deceitful propaganda ploy. This is aimed, first, at serving the Hanoi Vietnamese's maneuvers at the 1984 UN General Assembly; second, at requesting more aid since the Vietnamese are facing more problems on the Kampuchean battlefield and economic crisis at home; and, third, at deceiving the others so that the Hanoi Vietnamese can forever occupy Kampuchea. He added that as before, Nguyen Co Thach's recent statement in Hanoi did not mention the withdrawal of the more than 250,000 aggressor soldiers from Kampuchea, demanded in five successive UN General Assembly resolutions. He continued to state that Democratic Kampuchea, the National Army of Democratic Kampuchea, the entire Kampuchean people, and the CGDK at all cabinet meetings have resolutely and firmly decided that the Kampuchean problem must be resolved through the total and unconditional withdrawal of the Vietnamese aggressor troops from Kampuchean in compliance with the UN resolutions.

On 14 September, Samdech Norodom Sihanouk, president of Democratic Kampuchea, stated: There is nothing new in the recent Vietnamese proposal. Vietnam's aggressive policy is unchanged. The Samdech added that the Vietnamese have raised such a proposal on dialogues in an attempt to make the ASEAN countries recognize the Phnom Penh regime and other countries forget Vietnamese colonization in Kampuchea and the Vietnamization and the Sovietization of Indochina.

Son Sann, prime minister of the CGDK, stated recently: The Vietnamese proposal on the unconditional dialogue with ASEAN aims at easing the continued and permanent Vietnamese occupation of Kampuchea. Such a proposition cannot be accepted. The prime minister added that Nguyen Co Thach's recent proposal failed to address the key issue which is that the Vietnamese must withdraw all their aggressor troops from Kampuchea in accordance with the UN resolutions. He stated that the CGDK has always supported the UN resolutions on the Kampuchean problem.

These separate statements by the tripartite Kampuchean resistance forces rejecting and denouncing the Vietnamese maneuver have shown that by our common struggle against the Vietnamese enemy aggressors and exterminators of the Kampuchean race during the past 2 years and more, our tripartite Kampuchean resistance forces are more united and have strengthened our mutual understanding. Not only have we cooperated better in the military and diplomatic fields but the views of our three parties are more unanimous. Although our three parties did not meet each other to discuss the Vietnamese recent tricky maneuver because we have been busy with different missions in the world, our views are unanimous. We have clearly realized that there is nothing new in Nguyen Co Thach's recent peddling. It is only a tricky maneuver to divide the international front which has assisted and supported the Kampuchean people's struggle. It has been staged with an aim to split our CGDK so that we are no longer united and vigorously fighting the Vietnamese. Through our common struggle against the Vietnamese enemy aggressors and exterminators of the Kampuchean race, we have more experience. All of us have clearly realized the tricky and subornly continued to wage their war of aggression and genocide against our Kampuchean race.

Based on this experience, our tripartite Kampuchean resistance forces are determined to continue to unite in the great national union and to raise aloft the banner of struggle against the Le Duan Vietnamese enemy aggressors on the military and diplomatic battlefields. We pledge to unite and destroy the current any any subsequent maneuvers of the Le Duan Vietnamese enemy aggressors until we achieve our final goal which was clearly inscribed in the Kuala Lumpur joint declaration on the formation of the CGDK, that is to fight the Hanoi Vietnamese enemy aggressors until they are all driven out of Kampuchea.

CSO: 4212/2

KAMPUCHEA

# VODK ON UN DISCUSSION OF SRV 'AGGRESSION'

BK281342 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
27 Sep 84

[Station commentary: "The Problem of Vietnam's Aggression in Kampuchea Remains a Hot Issue at the 39th UN General Assembly Session"]

[Text] This year the Le Duan Vietnamese enemy aggressors and their Soviet masters have repeatedly staged maneuvers before the convening of the 39th UN General Assembly session and even at the meeting of the UN General Committee in an attempt to obstruct placing the Kampuchean problem on the agenda of this UN General Assembly session. But the Le Duan Vietnamese enemy aggressors and their Soviet masters cannot bury the issue of Vietnam's aggression in Kampuchea which has been a gross, barbarous, and flagrant violation of and trample upon the principles of international law and UN Charter.

The issue of Vietnam's aggression in Kampuchea was put on the agenda of the 39th UN General Assembly session by the UN General Committee without a vote. Why, at every UN General Assembly session, are the Vietnamese and the Soviets unable either to bury the Kampuchean problem or to obstruct the international community's raising this problem on the agenda of the UN General Assembly session?

The international community has realized more clearly that the problem of Vietnam's aggression in Kampuchea has been a most serious problem because it has been a most gross and barbarous violation of and trample upon the UN Charter and international law. Vietnam's aggression in Kampuchea has been a serious and real danger to security and stability in the all of Southeast Asia. It has also affected peace and order in the whole world.

Therefore, when the Vietnamese, the Soviets, and their accomplices waged their maneuvers to obstruct the UN General Assembly session's General Committee from including the Kampuchean problem in the agenda of this 39th session, representatives of various countries firmly intervened.

The Malaysian representative stated: Foreign occupation of Kampuchea, that is Vietnamese occupation of Kampuchea, has been an obstacle to the restoration of peace in this region. This act has been a violation of integrity and sovereignty of other states. Therefore, it is a problem that the UN General Assembly raised and debated.

(Lieng Ufan), a Chinese permanent delegate at the United Nations, stated: Over the past 5 years, Democratic Kampuchea has been occupied by foreigners. Although the UN General Assembly has repeatedly called on foreign troops, that is Vietnamese troops, to withdraw completely from Kampuchea, up to now the aggressors have continued barbarously to oppress the Kampuchean people and have even launched aggression against Thailand.

When he addressed the UN General Assembly session on 21 September on the occasion that the Kingdom of Brunei Darussalam was admitted as a new member of the United Nations, King Hassanal Bolkia Mu'izaddin Waddaulah, head of state and prime minister of the Kingdom of Brunei Darussalam, stated: In Southeast Asia peace, security, and stability have been threatened by the use of force in violation of the basic principle of the UN Charter. In fact, I am talking about the armed aggression and the continued occupation of Kampuchea by Vietnamese troops in violation of the principles of noninterference in other states' internal affairs, the law on international relations, and international tradition. The king stressed that his country has been very concerned about Vietnamese aggression and occupation of Kampuchea.

All these statements have shown that the issue of Vietnam's aggression in Kampuchea has remained a hot issue that the international community cannot forget. The international community has been concerned and has paid attention to this problem. It has realized that it is necessary to raise and resolve the issue of Vietnam's aggression in Kampuchea by forcing the Vietnamese aggressors to withdraw immediately and unconditionally all their troops from Kampuchea as adopted by the past resolutions of the UN General Assembly sessions in order to restore peace in Kampuchea and Southeast Asia. The issue of Vietnam's aggression in Kampuchea is not only a danger to the Kampuchean nation and race but it is also a danger to peace and stability in this region. Vietnam's aggression in Kampuchea has been the implementation of the aggressive, expansionist strategy of the Vietnamese in the region and it is also a part of the global, aggressive, and expansionist strategy of the Soviet Union in Southeast Asia. If the international community does not pay attention to resolving the Kampuchean problem and lets the Vietnamese succeed in their aggression in Kampuchea, the Vietnamese will be pleased with their aggression and will continue to implement their own aggressive, expansionist strategy in this region and the global aggressive, expansionist strategy of their Soviet masters in the region. On the other hand, this will be a most dangerous precedent for peace and order in the world because the Vietnamese have created various pretexts to attack and occupy Kampuchea, which is an independent, sovereign state and a legitimate member of the United Nations, in violation of the principles of international law and the UN Charter. Other aggressors and expansionists will follow this example in violating and launching aggression against small, weak countries in the world. If such a situation occurs, our world can never enjoy peace and order. Furthermore, the principles of international law and the UN Charter are meaningless.

Therefore, the international community has agreed unanimously that it is necessary to raise the issue of Vietnam's aggression in Kampuchea and include it on the agenda of the UN General Assembly session. It is also necessary to continue to condemn Vietnam's aggression in Kampuchea and pressure the Vietnamese more vigorously until they abandon their aggressive and expansionist ambitions in Kampuchea and this region by immediately and unconditionally withdrawing all their aggressor troops from Kampuchea and letting the Kampuchean people determine their own destiny with no external interference.

VONADK REPORTS ON BATTLEFIELD ACTIVITIES

Attack on SRV Battalion

BK300622 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 29 Sep 84

[Excerpts] Here is a report from various battlefields. Sisophon-north of Route 5 battlefield, Thmar Puok District: We ambushed a Vietnamese battalion sallying out of Thmar Puok to an area north of Bos Commune on 20 September. We killed 12 Vietnamese soldiers and wounded 20 others for a total of 32 enemy casualties. The survivors fled. We seized an M-30, four rucksacks, and some war materiel.

Takeo battlefield, Angkor Chey District [as heard]: We attacked enemy soldiers at Chrak Siem on 20 September, killing one and wounding two. On 23 and 25 September, enemy soldiers hit our landmines at Phnum Steang and (Tuol Sla), suffering three killed and six wounded. A Vietnamese provincial expert was among those killed.

Mutiny of SRV Soldiers

BK290657 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 28 Sep 84

[Text] A group of south Vietnamese soldiers posted at Krang Sramar position, Kompong Tralach District, Kompong Chhnang Province, killed two north Vietnamese soldiers and wounded three others on 18 September. They did this because north Vietnamese soldiers have always looked down upon the south Vietnamese soldiers.

CSO: 4212/2



## BRIEFS

'BANDIT' GROUP AMBUSH REPORTED--Thanks to regular political and military training, cadres and combatants of the 4th battalion have gained increasingly more combat experience and capabilities, thus crushing more enemy elements and firmly defending our border. At the end of August, having grasped the Pol Pot bandits' activities and maneuvers aimed at sabotaging the peaceful life of our people living in the outlying border areas, the 4th battalion set up concrete measures, and sent cadres and combatants in small groups to search and lay in wait in the areas often used by the bandits. We successfully surrounded and crushed a group of bandits. We successfully surrounded and crushed a group of bandits. We killed 16 bandits, wounded some others, and seized 6 weapons and a large quantity of war materiel. [Text] [BK260731 Phnom Penh Domestic Service in Cambodian 1200 GMT 25 Sep 84]

COMPANY 'KOR-1' REPORTS COMBAT ACTIVITY--To improve their combat quality so as to be able to fulfill the requirements assigned by their superiors and to increase their combat feats as a welcome to the all-souls day, cadres and combatants of company "Kor-1" have united with the Vietnamese army volunteers, prepared themselves for battle, and fought valiantly against the Pol Pot bandits. A group of Pol Pot bandits recently crossed over the border in a thickly forested area in an attempt to launch activities against the people, but our combatants, in close cooperation with the Vietnamese comrades-in-arms, quickly surrounded the bandits immediately after they emerged from the forest. We killed two of them and wounded three others. We also seized two ak's, two magazine of ak ammunition, and a hammock. [Text] [BK260723 Phnom Penh Domestic Service in Cambodian 1200 GMT 25 Sep 84]

BRIDGE, ROAD REPAIRS REPORTED--During the first half of this year, cadres and workers of the Svay Rieng provincial communications and transport service worked to move goods and repair bridges and roads. These efforts brought good results. The service's transport section moved over 1,000 metric tons of goods, took over 10,000 metric tons of paddy to storage, and transported almost 1,000 passengers. Along with these busy transport activities, workers in the bridge and road repair section carried out a number of operations to ensure smooth transport movement. Furthermore, they took steps to study and increase their technical knowledge and to maintain state property with high patriotic spirit. [Text] [BK260756 Phnom Penh Domestic Service in Cambodian 1300 GMT 25 Sep 84]

CSO: 4212/2

## LAOS

### RESISTANCE ACTIVITY, ATTOPEU REEDUCATION CAMP

Bangkok ATHIT KHLET LAP in Thai 4-10 Aug 84 pp 19-20

[Article: "Reeducation Camp 979--Concentration Camp for Resistance Fighters in Laos"]

[Text] Along the Thai-Lao border, things seem to have quieted down due to the rainy season. The Mekong River's current is strong and the water volume, which reaches its highest in late August, is continuously increasing. [The river] is a very great obstacle to sneaking across to fight. Even the Lao resistance fighters who stay along the border almost all retreat deep into the mountain ranges to avoid clashes with the integrated Vietnamese and Lao forces that are stretched out along the banks of the Mekong River along the Lao-Thai border.

Sneaking across to Thailand in order to go to a third country--which is the basic hope of Lao refugees--has greatly diminished, aside from those who are tricked into coming across to Thailand and who pay a 600-1000 baht bribe per head.

These days, the transfers from one reeducation center to another have completely ended, since laying down the foundation for Lao socialism has spread into the villages and areas of the entire LPDR. Learning the party doctrine and working collectively are now things that everyone must study daily, especially Lao youth groups. However, the party administration still does not hope for much until it reaches the new groups of youth born during the period of Lao style socialism and who will be thoroughly indoctrinated with socialism and full fledged communists. The Lao who return to their homeland are not imprisoned or killed, but are sent to be thoroughly reformed and educated in the party doctrine and collective labor. If they do not have faith in socialism, they will be indefinitely reeducated in the party doctrine and collective labor at Worker Base Camp 979 at Ban Hat Toun, Attopeu Province, for at least 10 years; or more than that, they might just disappear without a trace.

The LPDR is divided into 5 regions and 16 provinces. The first region is Luang Prabang; the second is Khammouane and Phu Khouay; the third is Suvannakhet; the fourth is Sedone, Saravan, Attopeu and Champassak; the fifth is Vientiane. Worker Base Camp 979 is located in Attopeu Province, where

most of the population are Kha [hill tribesmen]. It is a dangerous territory that abuts Cambodia and Vietnam. The resistance fighters who are sent to base Camp 979 are subjected to very hard labor, from digging to clearing the forests and transporting by back the various precious stones that will be exported through Vietnam's port of Danang. This road is being built from Attopeu Province through Vietnam. Heavy goods will be transported on Route 9, which the 384th Vietnamese volunteer force of Bin Chi Thien District is constructing. Route 9 can carry heavily loaded trucks, and Vietnam has paved it from Vietnam into Laos for 47 km toward Suvannakhet and Seno Provinces; the route ends at the port of Kaeng Kabao.

Mr Khamsai Xaisettha, the former deputy governor of Luang Nam Tha Province of the Luang Prabang First Region, stated that he was almost sent to Worker Base Camp 979, but that luckily he had tried to adjust to collective labor so was spared. The reeducation camps throughout the various parts of the LPDR were closed in 1979. The reeducation camps were divided into civilian and military camps. The seminars were not much of anything--studying party doctrine, laboring, digging, harvesting rice, clearing forests, farming. People from the old system who had formerly lived comfortably could not take it, because everyone had to act the same--sleeping on the dirt, building cottages to live for 10 years among the mosquitos and ticks. If anyone survived, he considered it was because of his merit. The important problem was that youngsters were put in charge. If anyone reacted to this, it meant staying in a tomb. Mr Hkamsai Xaisettha stated that he himself had graduated from a university in Paris. His wife and children have already gone to a third country.

These worker camps were set up in Xayaburi Province, but were disrupted by Lao Theung tribesmen. Security was not adequate, so the work camps were set up in Attopeu Province after 1979. They are places for detaining people who are interested in democracy. Control is easily accomplished by relying on the solidarity of the neighboring Indochinese countries of Vietnam, Laos and Kampuchea.

A former red Lao prisoner of war disclosed that he was captured in the Dong Hen area of Suvannakhet Province in 1970 while on a trip to sell merchandise in areas controlled by the red Lao. He was surprised that nobody bought anything and just gathered around and watched him. A moment later, eight red Lao soldiers captured him and sent him for detention in Vietnam. The interrogation was quite cruel: they starved him many days and the worst was when they tied his elbows behind his back, tied his ankles together and hung him head down from a tree over a red ants nest. He was whipped with very sharp bamboo sticks for many hours and charged with intruding and being a CIA spy. In reality, he had only gone in to trade and was ignorant about everything. The worst for him was being confined in a cell with just a sliver of light. He could not lie down, just slept standing, urinated and excreted right there, was stung, itched and everything stank. There were two meals of rice porridge, just enough for him to survive. He was confined in that cell for 15 days. When he was let out, he was almost paralyzed. The excrement that stuck to his body had to be scraped off. He was there until released in 1975 under a prisoner of war exchange agreement.

12597

CSO: 4207/195

## MALAYSIA

### KUALA LUMPUR ON TRADE, AID ACCORD WITH ITALY

BK271009 Kuala Lumpur International Service in English 0600 GMT 27 Sep 84

[Text] The prime minister says his 3-day visit to Italy has succeeded in forging closer relations between Malaysia and Italy. He said the signing of a memorandum of understanding between the Malaysian Overseas Investment Corporation [MOIC] and the Association for the Promotion of Italian Works in Third World Countries will help promote North-South as well as South-South relations. This will be achieved through stepping up bilateral trade and investments in joint ventures by the two countries. Malaysia and Italy will also work together to promote development in the Third World.

The memorandum will facilitate the launching of two trading companies, one in Malaysia and the other in Italy. The agreement is also aimed at promoting direct trade, technology transfer and industrial cooperation. An MOIC official said the agreement was a broad and general one with details to be worked out later. The agreement has provided for the setting up of subsidiary companies and joint ventures. The official said industries to be developed on a joint venture basis will center on resource based industries like furniture production, leather goods production, fashion products, and high technology industry. Joint ventures could also be set up between medium-sized and small Italian firms and Malaysian partners on ceramics and industries catering for housing construction.

On trade with third countries, the official said Malaysia and Italy could take advantage of each other's trading experience and promote trade in third countries. Besides helping bilateral trade relations, the move would also help in the promotion of North-South dialogue and South-South dialogue.

Meanwhile, Marconi Italiana Corporation has signed an agreement with the Malaysian Government to sponsor the setting up of a telemetric chair at the University of Technology Malaysia. The agreement is for 5 years with option for an extension of another 5 years. Marconi will give 200,000 ringgit annually and supply the equipment for the department. Under the agreement, Marconi will also help in the setting up of a language laboratory at the International Islamic University in Kuala Lumpur. Marconi International President Dr R. Piccini said Marconi's involvement in the two projects symbolize the company's seriousness in helping to transfer technology to Malaysia. Marconi, a large Italian telecommunication equipment producer, set up a joint venture company in the state of Kedah recently. Marconi officials said that the company has facilities to make it Asia's largest producer of telecommunication equipment.

CLARIFICATION OF STATUS OF INDONESIAN ILLEGAL IMMIGRANTS URGED

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 6 Aug 84 p 3

[Text] Lim Kit Siang, secretary general of the Democratic Action Party [DAP], called on Datuk Musa Hitam, deputy prime minister and concurrently minister of interior affairs, to explain the status of 30,000 illegal immigrant workers present in our country.

On occasion of a dinner party organized by the party's branch in Cameron Highlands tonight, Lim Kit Siang said that according to an announcement made by Deputy Interior Minister Kassim Ahmed 4 days ago, the first batch of 100 Indonesian workers under the Malaysia-Indonesian Workers Agreement would arrive in Malaysia during this month.

Lim added that a week before the official announcement, he had inquired the deputy interior minister in Parliament concerning the said agreement and whether the government intended to carry out the plan relevant to the accord. The minister's answer was in the negative.

Lim said that it is incumbent upon the deputy interior minister to make a clarification for his misleading talk in Parliament.

According to Lim, "before the signing of the Malaysia-Indonesian Workers Agreement, we already have 30,000 Indonesian illegal laborers working in our plantations or engaged in various criminal activities."

Lim continued that his party has requested Datuk Musa Hitam to clarify the status and position of those illegal immigrants in the wake of the signed workers agreement. Are they going to be automatically accepted as legal residents of Malaysia, or should they be sent back to Indonesia in the first place and then return to our country through normal and proper channels?

The DAP also called on Datuk Musa Hitam to suspend the importation of the first batch of 100 Indonesian workers until the Malaysian people have had ample opportunities to study and express their opinions regarding problems arising out of the said workers agreement, Lim concluded.

9300

CSO: 4205/75

COMMENTS ON ETHNIC POLARIZATION

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 9 Aug 84 p 22

[Editorial]

[Text] Speaking at a seminar on "Education and Social Policy," Ibrahim Sahab, political secretary to the minister of agriculture, pointed out that the dispatch of numerous Chinese children by their parents to study in Chinese primary schools has led to an ethnic polarization.

Professor Ibrahim's opinion has plenty of room for discussion.

We are all aware that national primary schools, national-model Chinese primary schools and national-model Tamil schools throughout our country are components of our national education which fulfill the requirements of basic education for Malaysia's multiracial society. At the same time, receiving one's mother-tongue education is also a basic right for all nationalities, which coincides with the spirit of our constitution and the UN Declaration of Human Rights.

Consequently, we believe that in a multiracial society, defending the basic spirit of mother-tongue education by any nationality should not be confused with creating a racial polarization.

As a matter of fact, the root cause for racial polarization is to be found in the various fields of basic interests involving all our nationalities, particularly whether each nationality receives fair and just fundamental rights and interests in politics and the economy.

What we feel fortunate about is that ever since independence, our national leadership--from the Alliance era to the present National Front--basically reflects the true substance of our multiracial society.

Take the government's New Economic Policy [NEP], which was formulated in the 1970's. Although the aim of the NEP is, to a great extent, to expand the bumiputras' participation in the nation's economic endeavors so they will acquire a 30 percent equity by 1990, its fundamental spirit is to eradicate poverty and restructure society irrespective of race, in order to promote the lofty goals of economic development and national unity.

We have pointed out in the past that there is no conflict of interest in economic development between the Chinese and other friendly nationals and that they can complement each other. Economic discrepancies among the nationalities can be gradually wiped out by joint efforts in the process of economic expansion.

Of course, in promoting a government policy in any country, there is every possibility of irregularities cropping up. Judging by the criticisms of Chinese business organizations toward the NEP implementation in the past several years, the government should make an appropriate examination, so that while promoting economic development for the bumiputras, it should also pay attention to the interests of non-bumiputras, treat fairly the economic development of other races, and guarantee that the problem of racial polarization between indigenous and non-indigenous citizens will not flare up. In particular, we wish to draw the government's attention to the formation of all kinds of bumiputra corporate bodies and public enterprises under the NEP wing, the appropriation of large capital and huge annual credits by the government to them, the legal monopolistic protection and the administrative preferential treatment accorded them.

Most recently Prime Minister Datuk Sri Dr Mahathir stressed the importance of strength and unity for the National Front. He said: "We must safeguard that every word and every deed of every National Front member party shall not cause the suspicion and sensitivity of other member parties or organizations which support us."

We hope the National Front government would pay close attention to and wholeheartedly dissuade certain members of the ruling and opposition parties from issuing blatant opinions on racism for their personal profit and ambition. We also hope the government would smother the sparks of racial polarization in order to create a favorable atmosphere for national harmony and unity.

9300

CSO: 4205/75

## BRIEFS

LIM ON ETHNIC POLARIZATION--Lim Kit Siang [of the Democratic Action Party] today urged Chinese mass organizations, particularly cultural and educational groups, to pay attention to the remark made by the political secretary to the minister of agriculture. It is noteworthy that Ibrahim Sahab, political secretary to Agriculture Minister Anwar Ibrahim, has pointed out that sending Chinese children to study in Chinese primary schools would lead to an ethnic polarization. Mr Lim maintained that Ibrahim Sahab's viewpoint is nothing new to the United Malays National Organization, because Article 21, paragraph 2 of the 1961 Education Act stipulated that the minister of education has the authority to nationalize Chinese primary schools and transform them into government schools. Mr Lim pointed out that the government is trying to split its people into bumiputras and non-bumiputras and that the main factors which are causing racial polarization are the deviations accompanying the implementation of the New Economic Policy and the issues affecting religion and culture, such as the "San Pao Shan Incident." [Text] [Selangor SIN CHEW JIT POH MALAYSIA in Chinese 8 Aug 84 p 3] 9300

CSO: 4205/75



## FIVE TRADE AGREEMENTS SIGNED WITH PRC

Wellington THE EVENING POST in English 13 Sep 84 p 7

[Text]

In a break from the traditional, kiwifruit wine was used last night to toast the formal signing of five trade agreements by visiting members of the Chinese light industry ministry and representatives of the New Zealand firms involved.

The official ceremony, held in the Beehive, was attended by the Chinese Minister of Light Industry, Mr Yang Bo, the Minister of Overseas Trade and Marketing, Mr Mike Moore, and the Chinese Ambassador in New Zealand, Mr Zhang Longhai.

Industries involved in the agreements included ceramics, dairy produce and associated components and light manufacture.

Mr Yang Bo and his nine-man delegation has been in New Zealand for over a week discussing and finalising details with representatives of the Dairy Board, Ceramco, IPSCO of Auckland and the OTENZ Export Company of New Zealand who were the signatories last night.

Mr Moore described the Chinese visit as a highly practical exercise aimed at making progress on specific business proposals.

"This is the kind of objective with which I can readily identify."

"The presence of so many members of the local business community shows you have been successful in achieving it," he told Mr Yang Bo and the delegation.

"The Government takes a close interest in the further development of trade and economic rela-

tions between New Zealand and the People's Republic of China. It is now our responsibility to provide a climate that will allow technological, trade and economic co-operation to prosper and grow," he said.

## Invitation

Mr Yang Bo in reply said the good relationships between New Zealand and China, developed since diplomatic relations were forged in 1972, were being reinforced by the exchange of visits by government leaders and members of the business community.

In an effort to extend those relationships he invited Mr Moore to visit China at the earliest opportunity.

"In the modernisation of our country we need to have many friends from other countries and contact with their business communities so we can learn from their advanced technology and management.

"This visit has helped

achieve fruitful results in that direction," he said.

## Dairy

Of the five agreements signed the most important was a technical co-operation agreement between the Dairy Board and China's Food Bureau.

It formalised the dairy board's continuing technical assistance in building up the dairy processing industry in China. Since 1977 the board has sold more than \$80 million worth of wholemilk powder, butter and whey powders to China and also provided technical expertise to upgrade infant formula manufacturing processes and supply pilot scale milk recombining and cheesemaking plant.

A board director, Mr Peter Jensen, said the agreement marked an exciting new phase in the co-operation particularly as there will be a joint effort to produce butter-based spreads and processed cheeses tailored specifically for Chinese tastes.

CSO: 4200/9

REPORTAGE ON ECONOMIC SUMMIT CONFERENCE

Lange Addresses Opening

Wellington THE EVENING POST in English 12 Sep 84 p 1

[Article by Peter Bale: "PM Preaches Just Solution"]

[Text] Economic growth and the fair distribution of its rewards are the incentives to face up to hard times ahead--and what will get a Labour Government re-elected.

That was the message the Prime Minister, Mr Lange, chairman of the Economic Summit Conference, delivered in his opening address today to the nearly 200 people assembled.

"If we are to overcome our economic difficulties we shall have, as a country, to make a commitment. We cannot ask for commitment without offering an incentive.

"That incentive is economic growth. It is the equitable distribution of the rewards of effort and of the production the whole community creates by its efforts," said Mr Lange.

Occupying

Mr Lange strode into the house at 9.30 am nodding gently to Invercargill MP, Mr Norman Jones, still occupying his seat--forcing the summit steering committee chairman, Mr Ron Trotter, to occupy a seat at the back of the chamber.

Mr Lange told the conference that if they could agree with the objectives of growth and equity, be they in the form of restraint or a willingness to accept change, then the summit would have been a success.

"I hope I have made it clear to you that the Government has great expectations of the conference, in terms of creating an atmosphere in which we can all pull together to get out of our economic difficulties."

Mr Lange hoped the summit would create a context in which all kinds of economic decisions, in all sectors of the economy, could be intelligently made.

"Every right decision, no matter how small, helps put us all right."

Mr Lange told sector groups not to be too alturistic in their aims and acknowledged that they could not set aside their specific interests--in turn they could not expect the Government to cast its interests aside.

"The individuals who comprised the government have a personal interest, which will be obvious to you all," said Mr Lange.

"The Government proposed to be re-elected in 1987 and beyond that," he said. "It intends to do that through the generation of economic growth and equitable distribution of that growth. At election time it will seek to attract to itself the credit for that."

The political risks for the Government were obvious, he said. New Zealand was not going to get the kind of economic growth it wanted, this year, next year or even the year after.

Mr Lange hoped the summit would help sector groups and the public accept that never again should governments be allowed to stroke up the economy to create artificial election-year booms.

Hard

"We have made some hard decisions already and we have some hard choices still to make," he said.

He wanted the summit to give the Government its confidence and help New Zealanders accept the need for those hard decisions. Mr Lange was looking, through growth and intelligent economic management and co-operation, to return New Zealand to the lifestyle it knew just 10 years ago.

New Zealand was then a country with a productive and growing economy, a country without poor, untroubled by unemployment, which cared for its old, its young and its sick. It had been a country of tolerance, generosity and fairness, said Mr Lange.

"We can all live in that New Zealand and what we say and do here over the next three days will help us to get there," Mr Lange said opening his speech.

At its close he said: "It is not a vision I hold out to you. We have the resources to bring that New Zealand within our reach. We can get there from here."

#### 'Redistribution of Wealth'

Auckland THE NEW ZEALAND HERALD in English 13 Sep 84 p 1

[Text] High income earners were yesterday given notice that a redistribution of wealth to be initiated in this year's budget will be largely at their expense.

People in high income brackets may be made to contribute more to Government revenue through new indirect taxes and through a redirection of health spending and housing subsidies.

The Minister of Finance, Mr Douglas, told the economic summit conference at Parliament yesterday that there was clearly a potential contradiction in the Government's intention to assist low income families and to reduce the budget deficit.

"Higher income groups must therefore expect to give up more than they otherwise would," he said.

Articulate groups which might be adversely affected by decisions soon to be made should accept that such changes would mean long-term benefits for all.

#### Revenue

In his clearest indication so far of the likely contents of his budget, Mr Douglas also hinted at increased charges for Government services and resources--such as electricity--and an increase in interest rates payable by Government departments and state corporations.

It was essential to reduce the Government's deficit in real terms, he said, and this year's budget would begin the process of bringing Government expenditure more into line with the revenue it received.

Controlling the deficit would be a key element in a programme which would result in sustainable improvements in economic performance.

The programme would also incorporate:

--A continuing quest for better productivity.

--A major slimming-down of protection and industry assistance.

--An efficient and fair tax system.

--A tax and welfare system that effectively helped those who really needed help.

--A relationship of frankness between the Government and the community about what was being done, and why.

Discussing issues to be dealt with in the budget, Mr Douglas said it was clear the low income family urgently needed help.

"At a time when real incomes are declining, they are hardest hit because they have nothing more to cut back on except the necessities of life."

There was general agreement at the conference, and amongst the community as a whole, that the position of low income families must be improved.

And there was also a consensus that the budget deficit must be reduced--even if there was some disagreement on how that should be done.

#### On the List

Mr Douglas said many options had had to be ruled out for administrative reasons.

However, the resources and services which the Government sold or gave away to private industry might need to be considered as options for raising revenue.

Although not specified by Mr Douglas, electricity--particularly for commercial and industrial users--is considered likely to be on his list.

The Government also markets timber through the state saw mills and provides services such as meat inspection, technical and scientific advice, postage and, through the Railways Corporation, transport.

In an apparent reference to some tax exemptions and deductibility provisions, Mr Douglas said tax expenditures which distorted prices might also have to be reviewed by the Government.

Subsidised interest rates, such as those provided through the Housing Corporation, the Rural Bank and the Development Finance Corporation might also be changed.

"Housing subsidies through the tax system and Housing Corporation lending often seem to go to the better-off, rather than to those who are really facing a housing crisis," Mr Douglas said.

Measures which would widen the tax base must also be considered in preparing the budget, although the time available had placed a severe limit on the range of possible decisions.

#### Lange Addresses Final Session

Wellington THE EVENING POST in English 15 Sep 84 p 4

#### [Text]

Powerful oratory from the Prime Minister, Mr Lange, brought the Economic Summit to its feet in its final session last night.

Numerous delegates immediately afterwards shook the Prime Minister's hand in a flush of enthusiasm after hearing the verbal portrayal of co-operation at work.

Mr Lange's call brought forth a remarkable show of support for the concept of New Zealanders joining together to beat the economic problems afflicting society.

The Prime Minister cited examples of individuals getting together in the summit to talk out

difficulties the nation faced.

"This conference would have been worthwhile if all that had happened was that Harold Titter (general manager of Feltex) met Ken Douglas (secretary of the FoL) for the first time, Mr Lange said.

He paid tribute to the work done by the chairman of the conference steering committee, Mr Ron Trotter, chairman of Fletcher Challenge, in organising the framework for the conference.

At a press conference later, Mr Lange said the summit was not a short-term exercise but a commitment different groups had made to each other.

Greater consultation and agreement to forge a closer community was the pledge, he said.

New Zealand's summit conference had achieved more than the similar exercise in Australia because the summit here had given greater emphasis to human and social issues.

The contents of the budget on November 8 would show how well the Government had absorbed the short-term issues raised at the summit, he said.

## Issues

These short-term issues centred on the agreement by the participants that low-income people needed immediate relief.

However, Mr Lange said that a main feature of the summit was that it was not a short-term phenomenon, but a commitment that the different groups who attended had agreed to make to each other, which would last.

This centred on the pledge to greater consultation and agreement to forge a closer community.

Mr Lange said the main achievement of the conference was a total commitment to the concept of an efficient economy coupled with a socially just one.

Confirming an earlier "Post" report predicting the budget would probably be on Thursday, November 8 (and not October 18, as previously indicated), Mr Lange said it would be the first real test of the Government's commitment to translate summit rhetoric into action.

Summing up the three-day conference, Mr Lange said it showed the sort of co-operation which could be possible if people were prepared to look beyond their immediate sector interests to talk about and strive for goals that were in the interests of the country as a whole.

Mr Lange said that the social group representatives had acted as a conscience for the main (trade union, employer and manufacturing) groups.

Meanwhile, the Minister of Finance, Mr Douglas, promised that from next week, key organisations would be contacted by officials to begin pre-budget consultations.

The talks would be a first step towards a permanent process of consultation, as called for by the summit communique.

The consultations would focus on the needs of the low paid and the shape of the tax and welfare adjustments for the budget, said Mr Douglas.

## Pain

However, Mr Douglas warned that the budget would not be without pain for some interest groups.

In summing up the conference, he said that there had been a general recognition that the budget deficit must be lowered or New Zealand would simply stagger on from one crisis to the next.

Mr Douglas said he had noted two different trends of opinion at the conference — whether equity had a higher priority than economic growth, and the extent the Government should control the economy.

On the first topic, Mr Douglas said he rejected the idea that increased equity and an improved growth performance were incompatible.

He reiterated that in his view many existing government interventions directly worked against a fair distribution of incomes and social outcomes. For example, he said, housing subsidies through the tax system and the Housing Corporation often went to the better off.

## Justice

In another apparent budget clue, Mr Douglas said that there was a lot of scope for retargeting existing interventions to achieve a fairer outcome, "but without dramatically increasing the share of resources going to those areas."

He believed that New Zealand ultimately could not achieve social justice, full employment and its economic aspirations without growth.

Therefore the two objectives (equity and growth) must be tackled at the same time.

The state should promote output, increase employment and improve productivity, said Mr Douglas, but not in a heavy-handed or centralist way. "And it must involve the consultative procedure and it must be flexible."

Mr Douglas said the conference had not questioned company profits, but their distribution had been.

The answer was a reform of business taxation, a reduced level of subsidies, a review of tax expenditure and the promotion of more competition.

He agreed that the Government must ensure economic growth, create more jobs, growth of real wages and profits and a fairer distribution of wages and profits.

## Communique Reported

Wellington THE EVENING POST in English 15 Sep 84 p 4

[Article by Peter Bale: "Communique First Step on 'Future Path'"]

[Text]

Consistent economic policy and the need for improved productivity are key points in the Economic Summit communique approved by acclamation in the final session on Friday.

The applause seemed unanimous and spread to the packed galleries when the Prime Minister, Mr Lange, asked for the communique to be endorsed by acclamation.

This was the culmination of a strong, unifying address from Mr Lange in a wind-up to three days of summit.

The seven pages and 23 clauses of the communique endorsed Mr Lange's objectives for the summit: encouragement of discussion, promotion of unity and co-operation, greater understanding of the nature and extent of our economic problems and a commitment to assist and co-operate.

"The Future Path" core of the communique calls for consistent economic policy. Past policy encouraging investment in areas where benefits to the nation have been low is criticised.

### Standards

Government, business and labour must recognise the importance of increased productivity for increasing output and jobs, and for accelerating growth in living standards, according to the communique.

Modern technology and improved management techniques can achieve greater productivity, the summit acknowledged.

"The conference recognises that adjustment imposes costs and believes that these should not be borne by the relatively disadvantaged as tended to happen in the past," the communique said.

"Lifelong education and training must figure prominently in any strategy for improved economic performance and greater social equity," the communique said.

The public must be brought to understand the need to meet the goal of higher living standards.

Tax and government expenditure policies are important in determining household incomes and economic activity, and the conference recognises the need for a tax system that does not penalise effort and innovation but also fairly reflects ability to pay.

### Desires

New Zealand cannot isolate itself from the

international marketplace, the communique said.

No society can meet all the desires of its people the communique said, but an urgent priority is an effective mechanism to ensure that the interests of lower income groups are properly protected through a combination of wages, taxes and government spending that addresses their needs.

The position of the Maori is of major concern. The gap between Maori and pakeha has been widening. Racial tension has been growing and many Maori young people have been alienated from the wider community.

The reversal of trends working against Maoris requires that consultation take place with Maori communities about their future, policies to deal with Maori unemployment and self help, the communique said.

"At the same time it must provide adequate revenue to reduce the unacceptably high fiscal deficit," and suggests a widening of the tax base is needed.

The communique goes on to endorse and call on the concept of consultation that the summit has established, to be continued. Summits on employment and Maori Development are important initiatives in this process, according to the communique.

Government is "called upon" to establish a framework for consultation, to distribute easily readable economic information outlining problems and defining options, and to monitor the progress of implementing the conclusions reached at the summit.

### Crises

Backgrounding the economic crises from which the need for the summit arose, the communique notes that New Zealand has abundant resources to realise the reasonable economic and social objectives of all its people.

"Despite that, these aspirations have not always been fulfilled."

Sound economic management is based on five objectives, the communique said: sustainable economic growth; full employment; price stability; external balance and an equitable distribution of income.

Poor growth has led to unemployment, a decline in social services and increasing social discontent, the communique said. But, it says growth does not necessarily lead to balanced development and more equitable income distribution. Benefits of growth must be distributed fairly and seen to be fair.

Unemployment is identified as intolerable and policy should aim to reverse it permanently.

High inflation and the internal deficit are described as "a job killer, causing uncertainty and reducing the competitiveness of our exports."

The gap between what we pay for imports and what we export will be increasingly difficult to fill by borrowing, the communique said.

Economic policy must ensure all New Zealanders enjoy an adequate standard of living, including housing, health, education and welfare services.

Finally the communique declared:

"The conference drew confidence from the strengths that were apparent, and from the spirit of co-operation that prevailed during its deliberations. There is a clear challenge to us all. The nation's destiny is in the hands of the people of New Zealand."

## Subtle

It had been the Prime Minister's conference from his opening address, careful, subtle and knowing chairmanship, to the communique, seven pages and 23 clauses which bore his stamp also.

The communique first endorsed Mr Lange's objectives for the conference: encouragement of discussion, promotion of unity and co-operation, greater understanding of the nature and extent of our economic problems and a commitment to assist and co-operate in dealing with those problems.

A draft communique had been prepared after the first day of the three day conference by a drafting team chaired by the Minister of National Development Mr Caygill.

Much amending and not a little conflict went into the final version, with sector groups still apparently finding it difficult to set aside much of their own concerns.

With the final version circulated among the 95 participants on the floor of the chamber, Mr Lange delivered his strong, unifying address and called for the conference to endorse the communique by acclamation. Perhaps for the first time the applause seemed unanimous and spread to the galleries packed with advisers, observers and the media.

The core of the communique is "The Future Path." This calls for consistent economic policy, a change from the past economic policy of tackling one objective at a time.

It identifies two fundamental mistakes in economic policy in investment, in that investment has been encouraged in areas where benefits to the nation have been low and that the most effective use of investment has not been made in private or public sectors.

Other major points in the future path are: improved productivity's importance in increasing output and jobs and accelerating growth in living standards must be recognised by Government, business and labour.

The conference also acknowledged the greater productivity achievable with modern technology and improved management techniques.

## Summit Success for Lange

Wellington THE EVENING POST in English 15 Sep 84 p 5

### [Text]

The immediate reaction of delegates as the Economic Summit ended was that it had been an extraordinary personal success for PM David Lange, who now had the chance to "set New Zealand alight" to enthusiastically set about rebuilding the economy.

But the praise was tempered by some who noted that very difficult times seemed to be coming, and that vital follow-on work must now spring from the broad consensus reached at the summit.

Mr J B Munro, from the Federation of Voluntary Welfare Organisations, said the summit had matured as it went along, and the final day pulled a lot of work together.

He thought its main success was to achieve mutual under-

standing on the problems faced by various sector groups. "The lion sat down with the lamb." The tripartite forces of government, business and unions had now been joined by a fourth — the people element.

Mr Munro said there was a huge amount of paper, to be digested, and delegates now had to come down from the mountain and get out into the community.

Mr Peter Grayburn, from Enterprise New Zealand, said the business sector came to a remarkable degree of agreement between its sector groups. People like manufacturers and Federated Farmers normally had significant differences, but this time around they saw each other's point of view.

Few of the business people represented would have anticipated the impact on the summit

of the social sector, representing the disadvantaged, Mr Grayburn said.

It was already widely accepted that people must have low expectations about how quickly the economy must recover. The summit should have dampened those expectations further, Mr Grayburn said.

But it had ended on a high note, he said. The speeches by Mr Ron Trotter and Mr Lange "should set New Zealand alight for the immediate and medium-term future."

Miss Patricia Carroll, from the Nurses' Association, said she had learned a great deal from the summit, and had a lot of material to take back to her members.

She had a "very secure feeling that people are committed to maintaining a system of social



welfare, health care, education development. That's come through very clearly and quite strongly."

There was also a commitment to making the economy grow, and though there was a dispute on which paths to take, people would not be left out of the process.

Miss Carroll said the summit was a triumph for Mr Lange, who had "started us off in a very positive and encouraging note, and his call today was a rallying call."

The conference was enormously worthwhile according to Mr J M T Greene, of the New Zealand Chambers of Commerce.

"We've been trying to persuade the Government for years to get groups to work together and interact rather than act against each other."

He held out two points made at the conference as particularly useful. One was the example of Swiss watchmakers who failed to adjust to change and suffered economically at the hands of new manufacturers in other countries.

The other was a statement from Sir Frank Holmes involving the need for social help to go to those in need, and not to people as of right.

Two out of ten for speeches was unemployed workers representative, Ms Jane Stevens' scoring of the speeches at the summit.

There was agreement on the need for the redistribution of wealth, but Ms Stevens was cynical about what happens afterwards. Disagreement still ex-

isted on how to redistribute wealth and whether a free market economy was needed.

With two exceptions, business leaders had only congratulated her on the speech she gave — but they had not talked about how to solve the problems for the unemployed. It was now up to business people to put their money where their mouths were, she said.

Federation of Labour executive member, Mr Bob Campbell, said questions about an export orientated economy and the role of market forces still remained unresolved. However, there had been a wide consensus on the economic problems facing the country.

The unions and the social welfare lobby had managed to achieve some success. There had been a shift in the stance taken by the business groups to recognise the need to redistribute income, he said.

If there had been a theme that had emerged it was that there had to be planning on how to use the country's resources which referred back to the consensus style that had been adopted. If there had been a shift on the part of the unions, it was that it was prepared to let the Government have some time to put things right.

Speaking on behalf of Maori interests, Ms Denise Henare, said she was pleased to see social groups had fitted in to the summit.

Initially, it had seemed discussion would centre on slow growth, the deficit and the balance of payments, she said.

"What has been developed is a formula for growth that has taken into account social equity

and social justice, and has a commitment to a recovery programme and social goals moving hand in hand," Ms Henare said.

Giving the summit a ten out of ten score on most counts, Ms Henare was particularly pleased to see that it had recognised the need to provide jobs and long-term policies to match job training with employment needs.

Ideological barriers could never have been bridged by the Economic Summit Conference, but personality differences have been, Planning Council chairman Mr Ian Douglas said.

"The areas of agreement have been very real, they recognised that change needs to happen perhaps faster rather than slower . . . the recognition is that the Government is going to press ahead with its policies which were never up for barter anyhow — the communiqué is in effect an endorsement of those policies," said Mr Douglas.

A major point for Mr Douglas had been the recognition that something had to be done for "the people who are really at the bottom."

Like most participants in the three day summit, Mr Douglas said he had been impressed with the speech of Wellington Unemployed Workers Union Ms Jane Stevens.

"There's not really argument that although there are economic problems, and constraint called for, we can still at the same time deliver more equity than we've got and look after the people who need it," he said.

"I think there's been a genuinely positive approach to the whole thing — it's not fabricated," said Mr Douglas.

## Editorial Questions Value of Summit

Christchurch THE PRESS in English 15 Sep 84 p 18

[Editorial: "The Economic Summit"]

[Text]

Now that the captains of industry and the kings of just about everything else have departed the Economic Summit Conference, the question must be asked: what has been achieved by the exercise that could not have been accomplished otherwise? Apart from the political advantage to the Government in setting the scene and

gaining a measure of acceptance for an unpalatable Budget on November 8, the immediate answer would seem to be "very little." The justification for this disappointing — and disappointed — verdict can be found in the communique issued from the conference. Before listing the conclusions and points of agreement reached by the delegates during the last three days, the communique lists the aims of the conference as a ready-made yardstick for what follows; what follows does not altogether measure up.

The first of the conference's stated aims was to encourage discussion. A lot of people who have been stating their case for years were turned into a captive audience and forced to listen to others. This may be to the good if it generally draws a better appreciation of the concerns and opinions of different sectors from the listeners. Little discussion took place at the conference; most of the time was given over to set speeches which most of the speakers devoted to arguing why their particular interests should be exempted from greater sacrifice. Chit-chat over the tea cups during recesses probably did more, simply by geographical accident, to cross the sectional boundaries than the formal workings of the conference. By calling on the Government to establish a framework for further consultations between the groups represented at the conference, the delegates acknowledge the value of discussion, but acknowledge, too, that the conference has not, of itself, provided a spur for discussion to continue spontaneously.

The conference also sought to promote unity and co-operation between the various groups in the community. The most significant commitment from the conference has been the formation of a committee to address specifically the problems of unemployment, but this is a demand for co-operation rather than the result of it. As an extension of the summit, the work of this committee will keep the lines of communication open between at least some of the parties. The main proposal before the committee, however, is not new and has foundered before on the rocks of disunity. The proposal is to take young unemployed people into the work-force and train them for permanent positions while they are still in receipt of the unemployment benefit. The idea is sound, but it requires union approval of the payment of under-award wages to trainees and this has not been forthcoming in the past.

As the Minister of Transport, Mr Prebble, noted in his speech to the conference, many of the speakers used their time to catalogue their own sectional ambitions or grievances. This might have helped to clear the air, but it did little to foster the sense of unity. Away from the conference floor, where radio listeners,

television viewers, and newspaper readers — or at least those of them who paid much attention — were divorced from the headiness of being part of "the new spirit of consensus," some of these speeches accentuated and reinforced the divisions the conference was meant to paper over. This will make it harder for the participants in the conference to return to their several sectors and educate their fellows on the spirit of the conference, should they feel it worth while to do so.

The two remaining aims of the conference were to create a greater understanding of the nature and extent of New Zealand's economic problems, and to bring about a commitment to co-operate in dealing with those difficulties. Both aims largely had been achieved before the conference began. Indeed, if they had not been achieved, the conference scarcely could have been held. The Government's exercise in publicising the state of the nation's economy, the so-called "opening of the books," was necessary to dampen the worst of unreasonable expectations that might otherwise have been expressed at the conference. The accord on wage-fixing that was reached between the Government, the employers, and the Federation of Labour a week before the conference was no less essential to the well-being of the conference.

The wage-fixing agreement was built on years of negotiation. It might well have been achieved earlier had it not been for unfortunate or injudicious irritating of the trade unions, principally by the former Prime Minister, Sir Robert Muldoon, at crucial stages in the talks. As matters turned out, the parties to the wage-fixing talks went to the economic summit in a mood of co-operation and with a sense of having achieved something through co-operation. This removed a potential source of division and enabled the parties to turn their attention to other things. Not only did the agreement smooth the way for the conference, but it was used as a highlight of it. The conference was the platform from which the details of the hard-won accord were announced, but the conference can take no credit for it having been achieved.

Because the central economic issues had been thoroughly canvassed, and to a large degree resolved, before the conference began, the economic summit concerned itself increasingly with social issues. The result is that the conference communique is more a statement of social ideals than an accord on economic practicalities. Part of the reason for this is the way in which the list of conference participants was drawn up; part reflects the Government's own thinking; and part is the need of the conference to be seen to be doing something after the biggest single advance in economic management possible — a wage-

fixing agreement — had been achieved elsewhere. The main theme was hammered, giving support to Labour's election policy of improving the lot of the low-paid at some expense to others. The Government can take comfort from the knowledge that the document produced by the conference is a prescription for the redistribution of income pledged by the Labour Party at the election.

That general support for a recipe of caring and sharing should come from such a wide base of interests is a hopeful sign and augurs well for New Zealand society. It should not have been too much to hope, however, for more commitment to providing something to share. The problems have been defined, again, and the most appropriate courses charted; but each group seems reluctant to take the plunge. The conference may have produced a helpful climate for more talking, though it is too early to tell. It was not a summit, but it might provide the basis for one in the future. It should have helped the Minister of Finance, Mr Douglas, to define more clearly the aspirations of the electorate for his Budget. The conference has met, talked, and some parts of it will talk again; the ball, however, has been left firmly in the Government's court.

CSO: 4200/9

REPORTAGE ON LABOR PARTY CONFERENCE

Lange on Economy, Foreign Policy

Auckland THE NEW ZEALAND HERALD in English 10 Sep 84 p 1

[Text] The Prime Minister, Mr Lange, turned his leader's address to the Labour Party conference last night into an inspirational performance, seeking his party's backing for a programme of economic austerity.

He made it clear that the Government was committed to the harsh medicine of economic restructuring and he warned delegates that the Government would not be "the toast of the town" for very long.

It was a speech seen by many observers as even better than his effort at last year's conference when, not long established as Leader of the Opposition, he made an all-out effort to win the hearts of the party faithful.

Last night he revived the spirit of the election campaign with a speech in the style of his campaign opening, covering the key Labour Party theme of bring the country together.

But he said that New Zealanders would soon be subjected to a scare campaign aimed at undermining his Government's anti-nuclear stance.

All Blacks

Attempts were already being made to "put the wind up" people over the issue. But Mr Lange told cheering party workers that the Government would not be diverted from the policy.

"There are no nuclear weapons in New Zealand tonight and there will be no nuclear weapons in New Zealand in three years time," he declared.

Mr Lange said party workers should start now trying to discourage the proposed 1985 All Black rugby tour of South Africa.

Many New Zealanders wanted the tour to go ahead. While Mr Lange did not agree with their views, the conviction with which many held the views had to be respected.

Such people had to be persuaded that, by playing the Springboks, New Zealanders would be "playing with apartheid."

Mr Lange urged party workers to start looking positively at what his Government had achieved after only eight weeks in office. It had put into practice what is said about open government.

#### Not Ruthless

However, he said, consensus did not mean that any principles had to be compromised. Instead, it rested on fairness through disclosure and understanding.

Under his government there would be a co-operative society rather than one which was ruthless.

Mr Lange said there was widespread understanding in New Zealand that there was a need for change.

The Government had to concentrate on the economic shambles it had inherited, but it could also start applying distinctive Labour Party values.

Mr Lange said New Zealanders had shown at the polls that they were tired of being manipulated for electoral purposes by a government which had repeatedly boosted and retracted the economy to coincide with the three-year election cycle.

#### Tiresome Relic

He criticised National Party members who were now blaming their leader, Sir Robert Muldoon, for the defeat.

It was a matter of distaste, said Mr Lange, that those in the National Party had looked to Sir Robert while he was winning but were now turning against him.

"Sir Robert may be a tiresome relic of the past, but as long as he stays there he is more use to us than he is to them," he said.

The National Party would not be able to distance itself from Sir Robert when he was replaced as leader.

"He did not lead the National Party in spite of the party--he led the party because that is what they wanted."

Mr Lange said he had been catapulted as Prime Minister into a world where he was closeted from some of the realities of life.

But he said that each weekend he left his prime ministerial home, Vogel House, and returned to "vulgar house"--his home in Mangere.

It was a place, he said, where his children could breakdance on the carpet without worrying about messing up the pile for the housekeeper.

## Paper Reports Resolutions

Wellington THE EVENING POST in English 10 Sep 84 p 2

[Article by Brian Woodley]

[Text] The Labour Party has asked the Government to close the United States air base at Harewood and launch a public investigation of the activities of two other New Zealand facilities with US connections.

The demands, among a number of international affairs remits critical of US military activities throughout the world, were believed to have been carried by large majorities during an "in committee" debate at the party's annual conference yesterday.

The Prime Minister, Mr Lange, was said to have cautioned against such heavy criticism of the US.

The conference also asked the Government to withdraw New Zealand from the Anzus Treaty, by way of amending a remit on the withdrawal from military exercises so that it also meant withdrawal from "all alliances with nuclear power."

The conference voted to stop the news media from reporting debate on the remits at the urging of the deputy Minister of Foreign Affairs, Mr O'Flynn, who said the issues were sensitive and in some cases required formal diplomatic action.

He was concerned that foreign diplomats based in New Zealand would send worried telegrams to their capitals, based on news reports, before the Government had an opportunity to take the matters up.

The remits will not automatically be actioned by the Government. They first have to go to the party's policy council, and the parliamentary caucus has the power of veto, although it has to weigh this against the strength of party feeling.

The full list of remits, as adopted, was:

--That the Labour Government close the US Air Force operation at Harewood Air Base, returning the latter to purely civilian scientific Antarctic operation, and undertake a full public investigation into the involvement of the Tangimoana Defence Communication Unit and the Black Birch US naval observatory in US nuclear weapons strategies, with a view to deciding whether they should be closed down;

Withdrawal

--All New Zealand forces be withdrawn from overseas deployment outside the South Pacific region, except those under United Nations sponsorship;

--The NZ Infantry Battalion be withdrawn from Singapore with a year of Labour becoming the Government;

--NZ defence attaches be withdrawn from all Asean countries, with closer diplomatic and economic links to be developed with Vietnam;

--The NZ military group to be withdrawn from the multinational force in the Sinai Desert within 60 days of Labour taking office, with the Government to participate in an international conference on the Middle East under UN auspices as its contribution to resolving the national rights of conflicting parties;

--NZ withdraw from all military exercises and all alliances with nuclear power;

#### Relief

--The armed forces be used for disaster relief, economic zone surveillance and peace-keeping under UN auspices;

--The Government oppose the establishment of a rapid deployment force for use in the South Pacific;

--The party seek a thorough investigation of the military exercises that have occurred in north Canterbury and on Great Barrier Island, with the military and political implications of these exercises to be made public;

--That a Commission for Peace, modelled on the Commission for the Environment, be established, with a minister and a permanent staff of about 10, to carry out in New Zealand the aims of the UN World Disarmament Campaign to inform, educate and encourage support of the UN's disarmament objectives; to provide information about world, strategic and disarmament affairs to the news media and public; to assist government departments on legislation and diplomatic initiatives to bring about a nuclear-weapons-free and independent South Pacific; and to co-ordinate and assist government and non-government agencies in the preparation and practice of peace education;

#### Concern

--The party notes with concern the human rights violations in countries cited by Amnesty International and calls on the ruling authorities to respect and protect human rights in accordance with the Universal Declaration of Human Rights; calls for genuinely free elections open to all parties in each of those countries; and opposes any foreign military aid to any country in Central America.

--The Government join the Australian Government's protest against breaches of the Non-Proliferation Treaty of 1968 and the Outer Space Treaty of 1967 (this remit originally referred only to US breaches, but was altered when it was pointed out that other superpowers had also breached the spirit of the treaties);

--The Government impose an upper limit on defence spending of 1.5 percent of the New Zealand gross national product;

--New Zealand follow the Australian Government's lead and withdraw recognition from the Pol Pot regime in Kampuchea;

#### Review

--The Government review diplomatic recognition of the present Philippines government, and end military and intelligence-gathering ties with the Philippines;

--The Government end military and intelligence-gathering ties with Indonesia;

--The Government continue to recognise the Sandinista Government of Nicaragua, demand an end to foreign intervention in Nicaragua and elsewhere in Latin America, and establish closer economic, cultural and political links with Nicaragua;

--The Labour Party support the right of the Nicaraguan people to determine for themselves what sort of social and economic system operates in Nicaragua and, recognising the overwhelming popularity enjoyed by the Sandinista Government, calls on the US to cease its attempts to destabilise and destroy that Government;

#### Oppose

--The party oppose the activities of the US Government in financing, arming and providing direct military assistance to the "contra" forces operating in the border areas of Nicaragua;

--The party continues to oppose US political and military support for the right-wing military dictatorship in El Salvador and makes it clear that the party will oppose any military adventures by the US in that country;

--The party recognises the FDR/FMLN (Farabundo Marti National Liberation Front) as a legitimate voice of the Salvadoran people and supports its call for a negotiated settlement to end the civil war in El Salvador;

--The Government makes every effort to dissuade the French Government from using the Kerguelen or Crozet islands in the southern Indian and Antarctic oceans as nuclear test sites when or if it withdraws from French Polynesia.

#### Request

--The conference request the party's NZ council to instruct its delegates to the next conference of the Socialist International to move that the French Socialist Party be suspended from membership of the International until it undertakes to cease testing of nuclear weapons in the Pacific region, and move swiftly to grant independence to the territories of French Polynesia and New Caledonia;

--The Government change New Zealand's vote at the United Nations to one of support for the withdrawal of Indonesian troops from East Timor, in recognition of the inalienable right of the people of East Timor to independence and



self-determination in accordance with the principles of the Charter of the United Nations, and give diplomatic recognition to Fretilin as the rightful representative of the people of East Timor;

#### Condemns

--The party strongly condemns last year's US invasion of Grenada and opposes any form of New Zealand political and military intervention in Grenada from troops or police of any so-called peace-keeping force;

--The Government seek to improve diplomatic ties with African countries or consider establishing a New Zealand embassy to the Organisation of African Unity in Addis Ababa.

#### Editorial Criticizes Party Resolutions

Christchurch THE PRESS in English 12 Sep 84 p 18

[Editorial: "Untempered Foreign Affairs"]

[Text]

The New Zealand Labour Party is New Zealand's oldest political party but, apart from its first stretch in office from 1935 to 1949, it has held office for only six years. Having regained office only six weeks ago it has held its annual conference, bringing together Ministers learning the intricacies of their portfolios, members of Parliament getting used to being the Government, delegates who slaved to see the party returned to power and who have great hopes of what will now happen, and trade unionists affiliated with the Labour Party who also have hopes of great changes. The time factor is important. The tone of some of the remits on international affairs passed at the conference gave the distinct impression that in the extra-Parliamentary party at least there were many who had not adapted to the fact that the Labour Party was in power, not in opposition. The longer a party is out of power, the wilder some of the views in that party become. When the delegates know that anything passed at the conference has to be filtered through a number of processes before becoming party policy, there is not much restraint exercised in the wording of some remits.

The most controversial of the motions adopted by the conference was that New Zealand should withdraw from all alliances with nuclear powers. New Zealand is in an alliance with Britain, but the motion was directed against the A.N.Z.U.S. alliance which links New Zealand and Australia with the United States. However controversial, it should be one of the least surprising motions because, apart from last year, practically all Labour

Party conferences have passed a similar remit. Last year the conference passed a resolution dealing with banning nuclear ships from New Zealand ports, renegotiating the A.N.Z.U.S. treaty, and insisting that New Zealand sovereignty be recognised. That resolution, which was put by the former party leader and then spokesman on foreign affairs, Sir Wallace Rowling, was a compromise. It headed off the annual calls for withdrawal from A.N.Z.U.S. The resolution became party policy after it had gone to the Labour Policy Council. The Labour Government has declared itself on banning nuclear ships from New Zealand ports but also declared itself in favour of remaining in A.N.Z.U.S.

The fact that the resolution did go through this year may also be explained by a number of other reasons. There is undoubtedly a strong anti-nuclear feeling in New Zealand. How well founded the fears of nuclear war are, and how far such resolutions go towards causing many to wonder whether New Zealand wants to opt out of this world, are separate questions; but the anti-nuclear sentiment undoubtedly contributes to the support of such resolutions as were passed. The mood of the conference and the other events at the conference have also to be taken into account. Some delegates and trade union representatives are apprehensive about some of the orthodox economic policies which the Government is pursuing. The Government threw its greatest weight into the economic argument and managed to prevent the conference calling for some radical economic changes. Cynically viewed, it can be

argued that it is easier to tell other countries how to run their affairs than it is to tell Messrs Dougias, Caygill, and Prebble how to manage the New Zealand economy. There is also an element of resignation about it all: the New Zealand economy is in such a mess that the options are limited. Besides that, the national economic summit which will open today will have more influence on economic management than the conference.

Another important aspect is that radicals, party activists, and Left-wingers generally consider that international affairs is a particular preserve of theirs within the Labour Party. A number of party activists attend the conference and the Labour Party has always attracted some with more radical views. The members of Parliament understand very well that they were elected by voters who are generally far more conservative than the Labour Party radicals and that the activists and radicals may not even be representative of the party. Nevertheless, the remits and resolutions represent some grassroots thinking and are a way both of communicating with the politicians and of influencing party policy.

To what extent is the idea of withdrawal from A.N.Z.U.S. likely to gain a hold in the Labour Party as a whole? The answer probably lies not in any of the factors discussed so far but in another strand of thinking — a view of a New Zealand determined to follow its own independent foreign policy. If the Australian Government was tempted to lean on the New Zealand Government too heavily over the nuclear ships ban, or the American Government attempted to push New Zealand too hard on the issue, then the feeling might well grow that New Zealand was being prevented from doing its own thing and resentment would be expressed against those trying to bring influence to bear.

The conference resolutions appear to have caused some consternation overseas, having provoked a snap debate in the Australian Parliament and comment from the United States. The Prime Minister and Minister of Foreign Affairs, Mr Lange, has given assurances about the policy of the Government. The conference was ill-advised to discuss the remits in committee. Both the United States

and Australian Governments have acted calmly about the remits, but the circumstances of the adoption of those remits have given rise to speculation that an open debate would probably have avoided.

The A.N.Z.U.S. remit was the most significant, but others also got through. The development of closer economic, cultural, and diplomatic ties with Vietnam, called for by the conference, does not seem a step that should have high priority. The New Zealand Ambassador to Thailand is accredited to Vietnam. The withdrawal of the Sinai peace-keeping force, also called for, would need to be approached with caution lest it caused upsets in the area. In any case it would have to be done in co-operation with Australia, with whose force the New Zealand force is integrated. The use of the Armed Forces primarily for disaster relief, economic zone surveillance, and United Nations peace-keeping, is an idealistic suggestion almost indistinguishable from the policy of the New Zealand Party. A call for New Zealand to take part in a United Nations conference on the Middle East would not be something which rested solely in the hands of the delegates attending the Labour Party conference. The opposition expressed to a Rapid Deployment Force in the South Pacific may not be lasting. The Ministry of Defence already realises that it made an error in public relations in calling the force by that name and it is ludicrous to believe that New Zealand has any aggressive designs in the region.

Co-operating with intelligence-gathering organisations in countries such as the Philippines and Indonesia is always tricky. Calling for an end to such links at a party conference is silly. The tricky aspect is that the information should never be used for any internal suppression in a country. The gathering of intelligence to further the interests of New Zealand makes good sense. It is clearly the sort of issue that needs to be determined in the Government caucus and Cabinet rooms, not at a party conference, even if that party is in power. It will be interesting to see if next year's conference votes contain such heady, often youthfully-enthusiastic resolutions, or whether the experience of belonging to a party in power tempers some of the naive wildness.

## SHORTAGE MAY PROMPT TIMBER IMPORTS UNTIL 1990'S

Auckland THE NEW ZEALAND HERALD in English 13 Sep 84 p 1

[Text] New Zealand may be forced to import timber because of a chronic supply shortage that will continue until the 1990s.

The shortage is a result of a gap in planting cycles in the huge exotic forests that cover 1.2 million hectares.

Vast plantings of pine and douglas fir, the two main timber species, began in the Depression but were suspended during the Second World War.

The Forest Service planting programme did not resume in earnest after the war until the 1960s and the effects of the long gap are now rippling through the timber industry.

The timber trees take about 30 years to reach maturity.

### Hiatus

According to Forest Service figures, timber output has reached a plateau around 2.2 million cubic metres. About 75 per cent of production goes to the domestic market and the \$89 million export trade takes the rest.

Mr L. Heenan, trade and tariff executive for the New Zealand Timber Industry Federation, said the basic problem was a "hiatus" in production.

"The main quantity of wood is coming on in the 1990s" Mr Heenan said.

"We just can't make more trees."

### Shrinking

In Auckland, supplies of timber for framing, mouldings and fascias have been delayed up to three months.

Supplies of unblemished wood for high-quality furniture have also contracted, as the use of clear exotic wood becomes increasingly substituted for a shrinking output of native timber.

The result, according to Mr Alan Blakey, president of the Auckland Timber Association, is a lot of frustration in the industry and growing concern at its ability to meet building needs.

#### Traditional

"All our members are crying out that they are short of basic raw materials," Mr Blakey said.

The association covers merchants, exports, joiners and timber manufacturers.

Mr Blakey said that if the new Government followed traditional Labour policies backing the building industry the situation would worsen rapidly.

"Labour has usually been a strong housing Government, and if they move this way then it is unlikely the industry could meet the demand," he said.

#### Foot in Door

Timber could come from Chile or North America, but would cost more than domestic supplies.

Diverting timber exports on to the home market is one possible way to ease the supply problem, but the Timber Industry Federation fears this could endanger valuable overseas markets.

Mr Heenan said a lot of effort had gone into setting up markets which would pay off in the next decade when timber production would rocket.

"We have to keep our foot in the door if we want to stay in business," he said.

Years of work winning markets in Australia and Japan could be lost if present arrangements are upset.

Importing could be a way out of the dilemma. Mr Heenan said it was a little like when New Zealand imported wheat to cover temporary shortages.

CSO: 4200/9

LETTERS EXPRESS PUBLIC SUPPORT ON NUCLEAR SHIP BAN

'People Are More Secure'

Wellington THE EVENING POST in English 12 Sep 84 p 18

[Excerpt]

Sir,—The Leader of the Australian Federal Opposition, condemning, as he thought, New Zealand's ban on nuclear-armed or powered ships, said that a government's first duty is to ensure the security of the nation. True, especially if we remember that the nation is people. I believe that the people are more secure if their country is not being used as a base for war preparations by any major nation with nuclear weapons. This is true in spite of the risks that may result from having no big sister to look after us — if it suits her to — and because she may well use us as expendable, simply for her own purposes. — Yours, etc.,

JIM McCAHON.

Conway Flat,  
September 7, 1984.

Emulate Greece's 'Example'

Wellington THE EVENING POST in English 15 Sep 84 p 8

[Text]

SIR, In your edition of September 5 you printed two stories giving an extremely chauvinistic US view of New Zealand's anti-nuclear stance. I refer to your story on Dr Tokes, a speaker sent here by the US Government, and a report on a recent "Wall Street Journal" editorial.

The condescending tone adopted by both Tokes and the "Journal" editor, their reduction of issues to the dangerous language of

them-us, win-lose, and their, perhaps intentional, misunderstanding of what motivates New Zealand's stand, speak for themselves. I would, however, like to comment on their objectionable, and odd, attempts to invoke national prejudices.

The language of both these articles reveals a preoccupation, not with the security of small countries such as ours, but with the value that we have as real

estate in the super-powers' confrontation. Unintentionally, Tokes and the "Journal" editor have rendered us a service by making this comparison. Rather than shunning Greece's example we should emulate it. We can begin by banning our own joint NZ-US wargames, starting with TRIAD-84, the massive air exercise scheduled to occur here in early October. In the double-speak of our foreign critics this would no doubt be seen as a spreading of the "disease". But I can think of few things more healthy. As the increasingly alarmed comments of these critics show, the actions of small countries can make an important contribution to peace.

Neil Scotts

CSO: 4200/9

COLUMNIST ON SIGNIFICANCE OF PRC MAYOR'S VISIT TO DAVAO

Davao City THE MINDANAO DAILY MIRROR in English 6 Sep 84 p 3

["Behind the Headlines" by Gil Abarico: "The Chinese Dragon Has Awakened: Will It Be Good Or Bad For Asia?"]

[Excerpt] The arrival here of the Mayor of Hangzhou, People's Republic of China, and members of his party is a historic occasion in terms of Philippine-Chinese relations. While centuries ago, Chinese trading junks sailed from China to exchange goods and products with various seaports in the Philippines --a relationship which endures up to this time with the heavy Chinese presence in the Philippine economy--there was actually no serious attempt to truly understand Chinese culture and vice-versa. The coming here, therefore, of Mayor Zhong Boxi, who is accompanied by his Vice-Mayor Zhang Junshen and secretary Yin Yuxing, should be an occasion for deeper appreciation of what Chinese culture and civilization has to offer to her neighbors and the rest of the world. As well as for China, the so-called Middle Kingdom, to learn more and understand more about the culture of the Filipino people.

It is axiomatic that true understanding comes from learning, while peace and fraternal relations can arise from mutual understanding. Many Asians, including members of the ASEAN, still look with suspicions on the true motives of the mainland dragon which has finally awakened from its slumber of the centuries. Its impact on the rest of Asia can either be for good or for something else. Hence, with the mystery lifted finally beyond the so-called bamboo curtain--mainly through the more enlightened foreign policies of the United States and the Philippines--perhaps a new chapter in the development of peace and the promotion of harmony and cooperation can emerge from the participation of China in world affairs, including Asian affairs, of course.

MISCELLANEOUS: Hangzhou is one of the most beautiful cities in China, if not the most beautiful..... Its sceneries, temples and gardens reflect the best of Chinese culture since Hangzhou (formerly Hangchow) was the favorite summer capital of the Chinese dynasties..... Our memory of this centrally located Chinese city, which we visited several years ago, is that of a placid and lovely symbol of an empire long gone but still relevant to China today.

CSO: 4200/5

AUSTRALIAN BUSINESS CLOSURES ILLUSTRATE 'ADVERSE ECONOMIC CONDITION'

Sydney THE SYDNEY MORNING HERALD in English 27 Aug 84 p 19

[Text]

MANILA, Sunday: Two wholly-owned companies of Tubemakers of Australia are closing their operations in the Philippines because of the adverse economic condition.

Bundy Tubing Philippines closed down in June while Tubemakers Philippines will close by November, the general manager Mr J. Marcus Cooney, said.

They represent Tubemakers of Australia's only Asian operations apart from a joint-venture company in South Korea.

The total investment losses are being worked out, Mr Cooney said, but he did not think the Sydney parent company had put in more than \$US2 million.

The two Manila companies suffered \$US4.3 million in foreign exchange adjustment as a result of the three peso devaluations within the year.

The companies had been unable to get supplies from Australia or Japan since the

October 1983 debt moratorium which put a freeze on imports except for very essential raw materials.

Mr Cooney also said the Philippines market was not big enough for two companies producing the same tubings.

Competition came from a Japanese-Filipino company.

Furthermore, the automotive industry has collapsed and the appliance industry has declined.

They were Tubemakers and Bundy's chief customers.

Mr Cooney said he is negotiating to sell the equipment of Tubemakers.

Australia has about \$US15 million or 2 per cent of total foreign investments in the Philippines.

Mr Cooney, who is also president of the Australian Chamber of Commerce and Industry in the Philippines said some Australian companies are struggling along, with problems similar to those of Tubemaker.

CSO: 4200/5



PAPER ON DEVELOPMENT OF WORKERS STRUGGLE

HK220330 Quezon City ANG PAHAYAGANG MALAYA in English 16 Sep 84 Sunday  
Supplement pp 5-6

[Article in Tagalog by Ave Perez Jacob: "Some Reports on the Workers' Struggle"]

[Text] In any society, it is the working class which is the most creative, the most progressive, and the most revolutionary. A society which is wealthy and has a sound economy can be said to have been created by the workers. Perhaps its art and culture is not superior--but who is it who writes the scripts, who puts the notes in the composer's libretto, and who pens the books praised by writers and poets?

Indeed it is the workers who are the true and worthy renewers of any progressive society. It is they who are the most revolutionary in nature because their dream is to foster the most humane, peaceful, and prosperous society in the whole world.

In a wretched and oppressed society like that which exists in the Philippines, the people in power (the capitalists and landowners, the government officials who, drunk with power, work hand-in-glove with the fascist police and the military and who are tied to the apron strings of foreign imperialists) have nothing to fear except the mass of aware and militant workers.

This is why, in the annals of our bloody history when there were times of economic and political crises during which those in power felt threatened, it has always been the working classes who have had to bear the brunt of their masters' violence.

Let us look back at our history. The first Filipino proletarian movement took root during the Spanish colonial period. During the subsequent American occupation, the movement flowered into stronger workers' associations planted by men who fought foreign domination. The movement continued to branch out and today it has flourished and borne fruit in the form of myriad workers unions which are struggling against those in authority. Among the victims of the American occupation period were Isabelo Delos Reyes, Hermenegildo Cruz, and Dr Dominador Gomez. During a demonstration at Malacanang by 100,000 workers belonging to 150 unions on 1 May 1908, the

imperialists unleashed their dogs who attacked the strikers. At a march mounted by thousands at Maypajo, Caloocan, on 1 May 1931, many were arrested and hundreds were thrown into prison.

Foremost among those who headed workers unions was Crisanto Evangelista. He founded the Union of Philippine Printers [Union de Impresores de Filipinas] and was elected their leader in 1918. Evangelista also founded the federation, Society of Workers [Ang Katipunan ng Anakpawis] in 1929. It was a great loss to the workers movement when the fascist Japanese captured Evangelista and other labor union officials during the last world war.

When the Philippines was ostensibly liberated by the Americans after the war, the workers movement rose once again, only to have labor leaders like Manuel Joven, Amado V. Hernandez, Felixberto S. Olalia Sr, and other members of the Congress of Labor Organizations (CLO) arrested. Abetted by treacherous Filipino labor officials, American agencies like the AFL-CIO meddled in the country's affairs.

However, during the 60's, the workers movement took new direction when students and intellectuals joined the workers in their struggle. Yearly strikes took place. On 1 May 1971, a rally by students and workers who gathered in protest before congress was shot at by the fascists. Among those who died under a hail of bullets was Lisa Balanda, a woman worker.

When the military came into its own in 1972 (when martial law was declared), the workers' movement was emasculated. Many labor leaders were jailed and scores disappeared, especially the most militant ones and those who strongly believed in democratic principles.

Nevertheless, slowly and by leaps and bounds, the workers' movement grew once again. In October 1975, a strike against La Tondena Corporation [a large liquor company] took place and was supported by various citizens and religious groups. Despite threats and violent acts against them, the workers persevered. From then until the end of 1976, 108 workers have died under the guns of the military. Despite this, the workers' movement has dug in its heels, worked tirelessly, and grown by degrees. Workers in plants and factories, offices, and companies have today organized into unions. The movement has gained breadth and depth, gradually acquired power, and has clearly seen through the economic crises and political problems, remaining united through thick and thin.

Workers have always been deeply involved in the events which engulfed the Philippines. There have been demonstrations against referendums and plebescites, protests against foreign multinational corporations, rallies against the Bataan nuclear power plant, and constant criticism of the regime and its abusive military. In all these protests by farmers, students, youths, professionals, religious members, and the oppressed poor, it has been the workers' voices which were the loudest.

Besides demonstrations in the streets, many seminars and symposiums were organized which were attended by multitudes of peoples. Early in 1981, when martial law supposedly was lifted and the military ostensibly removed, it was the workers who yelled "fraud!" and who denounced the "hocus-pocus" of those in power.

Meanwhile, the violence against the laboring classes continued. On the morning of 26 April 1981, during a picket by strikers at Metallied Industries in Paranaque, Virgilio Hebron, 19, was felled by a bullet. He had been singing and playing his guitar when the criminal authorities gunned him down.

Two weeks later that year, on 11 May, at a strike at Polymide Industrial Corporation in Calamba, Laguna, Napoleon Constantion, Leonardo Ramos, and Josephine Rocello were shot. To this day the killers' names have not been revealed and no charges have been filed.

At a strike at Solid Mills, Inc., a company guard shot Antonio Baynosa, 21. Attorney Hermon Lagman and Vic Reyes, union organizers, disappeared on their way to a union meeting. Ceferino Flores Jr, 44, a union member who worked at the Hotel Intercon in Manila, was seen boarding a bus on his way home one night. He has not been seen by his family since. In Pampanga, three union members of the Cosmos Bottling Corporation, Lolito Quilicot, Domingo Almuete, and Antonio Simbajon, disappeared. They are known to have been salvaged (to use the language of the military) because their mangled bodies were found 3 days later at an army field in Pamanga.

The violence has even reached abroad. Gene Viernes and Silme Domingo, Filipino union members of Cannery Workers Union Local No 37 of the International Long Shoremen's Union were shot and killed in Seattle, Washington in their union's office. A Filipino "brigand" [tulisan gang] was said to be responsible for the murders. Viernes and Domingo were said to be agitating for reforms in their union and their heirs have filed suit against the union as well as against some high Filipino officials whom they believe were involved in the murders. The FBI is still investigating the case.

Only recently, on 6 April, striking workers at Foamtex Industries, Inc., in Canumay, Valenzuela, were fired at by police and soldiers. Two strikers, Antonio de Guzman and Philip Caracas, were killed. On 9 July, fascists attacked strikers at the Artex Corporation whose owners are known cronies of President Marcos. Many workers were wounded during that bloody encounter as well as members of the public who joined in to support the strikers. So far there has been no confirmation of the number of dead nor have the perpetrators of the crime been named.

It is not only during strikes and pickets that workers are harassed, beaten, and killed. Even during peaceful demonstrations, like the one at San Andres Rotunda last 12 August, water hoses, teargas, and batons were used against the protesters. More than two dozen people were hurt and many were thrown into jail without trial.

Not just in offices, but on farms, on the rivers, at sea, at lumberyards, and in mines where workers toil for meager wages in the face of the waning value of the peso, ballooning prices, threats of the loss of work, the oppression goes on. Strikes, which are the heart of labor unions and the final weapon of oppressed workers, have now been banned by law under BP [Batasan Bill] 130 and BP 227. But the workers have carried on their struggle.

From the past to the present, the laboring masses who are the victims of the powers that be have persevered in their efforts. No amount of insane rules can cow these noble workers. The more they are trod upon, the stronger they become.

The army cannot hold back the great mass of workers which continues to add to their ranks. One only has to remember the deathless words of a great labor leader: You may be bowed and bleeding, but you will rise again.

The workers today have risen again. They are standing tall and are stronger and fearless in their struggle. Tomorrow, in the very near future, among tears and blood and among the broken bones, the workers' movement will be renewed to become the true and worthy reward for all Filipinos.

CSO: 4200/1

ANTI-INSURGENCY IN TWO PROVINCES CONTRASTED

Davao City PEOPLE'S DAILY FORUM in English 2 Sep 84 p 2

[Editorial: "Two Contrasting Poles"]

[Text] Davao del Sur and Davao Oriental are two poles apart, both in contrast to each other, and both facing different problems about insurgency and rebel terrorism.

The province of Davao del Sur has lately been transformed into an area where self-motivation is incepted by the military, thanks to the efforts of Brig. Gen. Jaime Echeverria, the regional unified command chief, and Col. Laudemer D. Kahulugan, the provincial commander.

Just last Thursday, 203 mass-based sympathizers literally yielded to the government and the military, and this took place only days after the successful graduation of hundreds of civilian home defense forces in Kapatagan.

For one, these developments augur well for the military and the government's drive to bring closer the people to the present administration, and at the same time, strengthen the concept that the people in the countrysides are the backbone of barangay development.

Although there are isolated cases of ambushes and shootings, these incidents pale in comparison to the drive of the military in that province to bring all disgruntled persons to the fold of law under the open arms policy of the military and the government.

But in Davao Oriental, it looks like it is the reverse. Those people coming down from the hills are real terrorists whose intents, it seems, are to sow fear and destroy the morale of the citizenry, specially in terms of trust to the duly constituted authorities.

Apart from this, the provincial government seems to have done little in coordinating with the military for some obvious reasons. It has become a common knowledge that the governor and the provincial commander are not in good terms, and this gruesome affair contributes a lot in the degeneration of peace and order of the place.

Our information revealed that although the military have that innate motivation to work hand in hand with the provincial government, the elected government officials are reportedly donning hesitancy and arrogance to them. We do not know the extent of the rift between these two forces, but we can size up that things are not really well, and this will contribute nothing but more trouble to the province.

The diversity of the two provinces strikes a classic note of surprise for observers because this has never happened in the past. Although the slight that usually exists between the government and the military is discernible sometimes, some elected officials and high-ranking military officials possess that initiative of relegating these minor spats and work harder for the cause by which they are working for the citizenry.

Just as everyone wants to progress, we hope Davao Oriental will be able to solve its problems, as much as Davao del Sur can continue pursuing its goal for amelioration, reconciliation and leniency.

CSO: 4200/5

PHILIPPINES

OFFICER, THREE TROOPS KILLED IN MINDANAO AMBUSH

Davao City THE MINDANAO DAILY MIRROR in English 2 Sep 84 pp 1, 8

[Text] Four soldiers were killed and four others wounded when heavily armed terrorists ambushed them Sunday at the Bontoc-Lubuagan road, five kilometers north of Bontoc town.

Military authorities here identified the dead as 2nd Lt. Jose Levertoria, Sgt. Rizal Anselmo, Ffc. Benhur Olazo and private Fidel Sibayan, all of the Philippine Army.

Wounded were private Buenaventura Lopez and Marines Pedro Tagata, Julio Ibanez, and Espiridion Zunega.

The dead and injured belong to the Unified Command First GHQ Battalion under Lt. Col. Roderico Castro.

The battalion is considered by natives here as the most disciplined peace keeping force ever assigned in the area.

Castro said his men were on their way home after bringing a civilian patient from Betwagan, Sadanga, Mountain Province to the Bontoc General Hospital for treatment.

They were fired upon by the ambushers one kilometer from the bridge approaching barangay Tucucan as they were negotiating a narrow road curve.

Pinned down, the injured soldiers took cover behind a stone wall and exchanged gunfire with the terrorists.

The terrorists took three M-16 rifles from the slain soldiers then retreated when reinforcements came.

CSO: 4200/5

PHILIPPINES

'TERRORISTS' DESTROY 8 MILLION PESOS WORTH OF LOGGING GEAR

Davao City PEOPLE'S DAILY FORUM in English 2 Sep 84 pp 1, 10

[Text] Some 100 heavily-armed terrorists attacked a logging camp Friday dawn in Sitio Tigbawan, Barangay Baculin, Baganga in Davao Oriental and put to torch an estimated P8 million worth of equipment.

Reports reaching the People's Daily Forum from an employee of the Mati provincial capitol disclosed that the armed men attacked the logging camp of Henry Wee.

The attack came after the logging company failed to come across with the demands of the terrorists for ₱400,000.

The source disclosed that the rebels burned a D-8 Caterpillar bulldozer costing P3 million, a caterpillar grader valued at ₱2.2 million, several hauling trucks and a loader.

The attack at the logging camp was conducted at about seven in the morning which caught employees and security personnel off-guard.

It was not immediately known if the terrorists took anyone as hostage. The report, however, said that no one was injured.

The attack at Sitio Tigbawan was the third terrorist attack in Davao Oriental within a span of one week. Two of the attacks involved the raiding of town PC detachments in Lupon.

Efforts to contact Brig. Gen. Dionisio Tan-Gatue and Col. Geronimo Valderrama, RECOM II commander and Metrodiscom chief respectively, to confirm the attack, proved futile as they were in Malagos attending the turnover rites of the Philippine Marines.

CSO: 4200/5



PHILIPPINES

JOINT FORCES KILL THREE 'TERRORISTS' IN DAVAO DEL SUR

Davao City THE MINDANAO DAILY MIRROR in English 6 Sep 84 pp 1, 10

[Text] A joint PC/INP/CHDF team led by P/Lt Vicente Labiaga and P/Sgt Quintin Mericido encountered yesterday, Sept. 4 a group of 20 terrorists at sitio Sebunga, Kiblawan, Davao del Sur.

The firefight which took place at 9:40 a.m. lasted for 20 minutes. Three terrorists were killed in action while no casualties were reported on the government side.

Recovered from the scene of the encounter were one homemade caliber .22 and one caliber .38 revolvers, subversive documents, teach-in materials, acupuncture materials and a hit list.

A PC team led by Col. Laudemer Kahulugan, Davao del Sur PC commander reinforced the troopers and pursued the withdrawing terrorists.

Bodies of the slain terrorists were brought to the PC provincial headquarters for proper disposition.

CSO: 4200/5

EDITORIAL ON MILITARY 'PROTECTION RACKET'

HK211412 Manila METRO MANILA TIMES in English 21 Sep 84 p 4

[Editorial: "The 'Escort' Business and Ramos' Discipline Committee"]

[Text] PC and INP Chief Gen Fidel V. Ramos has ordered Metrocom Chief Maj Gen Prospero A. Olivas to investigate an incident that saw a near shoot-out between a contingent of the Philippine Coast Guard and some Metrocom troopers. Reports say a shoot-out was narrowly averted by the proverbial cooler heads when the Coast Guard men stopped the Metrocom soldiers from escorting out of the customs area in North Harbor, in Tondo, a shipment that consisted of soda ash worth P400-million.

The soda ash shipment was already loaded in five trucks with men of the Metrocom as escorting party, when the Coast Guard arrived and ordered that the shipment be returned to the barge from which it had come. The barge had earlier received the shipment from the vessel MV Sunstar (anchored at the South Harbor, port of origin unknown) and was supposed to dock somewhere near Jones Bridge. For some unknown reason, the barge instead docked at the North Harbor. There the trucks and the Metrocom soldiers turned up to receive the shipment.

At this point, the Coast Guard men arrived and said that the shipment was not properly documented. A heated argument ensued between the two groups of soldiers and the shoot-out almost erupted. (The reports do not say what has happened to the shipment.)

The cynical public sees, in this incident what would appear to be a rivalry among military men over the "protection" of goods being moved out of the customs zone. This is what the "escort" business is all about. Long before martial law, it used to be Manila policemen who were involved in this "business."

Obviously, if there had not been a near shoot-out, the "escort business" in the customs zone still flourishing would not surface.

Besides the investigation that General Olivas will conduct for his report on this incident, the nature of the customs zone escort business is one subject that should be taken up by the committee created by General Ramos

to look into the breakdown of discipline among soldiers. Ramos created this committee to look into the causes of indiscipline among the troops and the police, a timely move. Such a study has long been overdue. If the causes of indiscipline can be pinpointed, it will be so much easier to devise the solution or the cure.

What is evident is that while the Armed Forces authorities, including those of the PC-INP are exerting massive efforts to contain criminality among the men in uniform, this is in fact increasing.

The Ramos good conduct committee would do the country (and the Armed Forces and law enforcement agencies) a great service if it can come up as soon as possible with a creditable study on which remedial action can be based to restore the people's faith in our agents of the law.

CSO: 4200/1

BATAAN NUCLEAR PLANT REPAIRS TO COST \$50 MILLION

HK211410 Manila METRO MANILA TIMES in English 21 Sep 84 p 1

[Article by Mariam Soraya]

[Text] A team from the International Atomic Energy Commission (IAEC) recently discovered at least 4,000 inconsistencies and deficiencies in the Bataan Nuclear Plant after conducting a detailed walkdown inspection. The deficiencies will take about \$50 million to correct.

MP Rafael Recto (Unido-Batangas) said yesterday a confidential letter in his possession revealed that the team arrived in July after its services were secured by the Philippine Atomic Energy Commission (PAEC). The arrival of the team, Recto said, was confirmed by a confidential telex from the U.S. Embassy.

The writer of the letter, who claims to be an insider in the operations of the nuclear plant, said the walkdown inspection was to serve as a basis for the final turnover of the plant by Westinghouse to the National Power Corporation (Napocor). It was also to serve as basis for the licensing of NPC as plant manager by the PAEC.

In a walkdown inspection, an IAEC expert, together with his counterpart from the NPC in a specific discipline, conducts an ocular and actual inspection of plant facilities and operations, checking each and every detail. The inspection lasted for about 3 weeks.

The letter-writer said the IAEC had submitted its findings to the NPC and PAEC, adding that the existence of at least 4,000 plant deficiencies was "common knowledge" to NPC managers, superintendents and supervisors who participated in the inspection.

According to the letter, the "core loading and initial criticality phase" was originally settled on 16 August but was moved to 16 September because of the IAEC findings.

Core loading is the loading of radioactive fuel such as uranium while initial criticality refers to the actual running of the plant in simulated conditions to test its readiness for commercial operations in 1985.

The letter stated that Westinghouse was in such a hurry to turn over the plant to NPC because it did not want to shoulder the added expense needed to correct the deficiencies.

The Meralco Industrial Engineering Corporation, subcontractor of Westinghouse, "is unable to do anything even if it has complete knowledge of the situation because it is Westinghouse that calls all the shots," the letter said.

The letter also stated that when the radioactive fuels arrived at the plant facilities, these could not be put in the storage room which at the time was leaking.

MP Recto, who is scheduled to interpellate Energy Minister Geronimo Velasco in today's question hour, said the reactor of the Bataan Nuclear Plant was a 1973 model. The reactor is a pressurized water reactor type which, according to recent studies by American scientists, had a generic defect "embrittlement."

Because of this generic defect, the metal of the reactor vessel turns brittle after continued bombardment by neutrons. Plants similar in design to the Bataan Nuclear Plant were built by the same people in Korea and Yugoslavia. "The same defects were thus carried over here," Recto said.

CSO: 4200/1

## BRIEFS

**CENTRAL BANK MOVES ON DEBTS**--The Central Bank has reported that a total of \$160 million has been made available since 6 September to pay the interest on all public and private debts owed to foreign financial institutions. Central Bank Senior Deputy Governor Gabriel Singson said the amount is for all interest payments, excluding penalties and other charges, which became due on or before 13 July 1984. He said the amount was allocated under a memorandum to authorized agent banks issued last September, which permitted foreign exchange allocations to pay for the interest. The Central Bank sold 9.6 billion pesos worth of short-term notes from March to July this year to mop up excess liquidity from the country's financial system. Data from the Central Bank treasury department showed that of the 10 billion peso Central Bank bills issued last March, only some 400 million pesos remained unsold as of 30 July. The short-term debt instruments had attracted investors because of the high yield of from 30 to 39 percent per annum. The bills mature in 30 to 365 days. [Text] [HK220359 Manila Far East Broadcasting Company in English 2300 GMT 21 Sep 84]

**BOMB THREAT**--The Manila police were placed on alert today after a bomb threat was received at the Western Police District Headquarters on United Nations Avenue in Ermita District. According to the telephone call, all police stations in Manila including headquarters will be bombed but no word was given as to when the threat would be carried out. Officials of the Western Police District have ordered the explosives ordinance disposal unit to check all police stations including the headquarters. [Text] [HK251028 Manila Far East Broadcasting Company in Tagalog 1000 GMT 25 Sep 84]

**EDITOR SLAIN**--The National Press Club yesterday [25 September] condemned the slaying of a weekly newspaper editor-publisher and his companion in Dipolog City last Sunday. Slain by two unidentified gunmen were Jacobo Amatong, the editor-publisher, and Zorro Aguilar, his companion. In a statement, NPC President Antonio Nieva asked President Marcos to order an immediate investigation of the killing. Nieva also asked Filipino journalists to protest the killing. He described Amatong as an independent and fighting journalist. [Text] [HK260856 Manila Far East Broadcasting Company in English 2300 GMT 25 Sep 84]

**NEW MARINE COMMANDANT**--Brig. Gen. Artemio A. Tadiar, Jr. (AFP) will turn over his command of the 3rd Marine Brigade at simple ceremonies in Malagos, Baguio District, at 3:00 P.M., Saturday (Sept. 1). Tadiar has been reassigned to the position of Commandant of the Philippine Marines, with headquarters in Manila. Col. Rodolfo G. Biazon, Philippine Navy (Marines), will assume command of the Brigade. [Text] [Davao MINDANAO TIMES in English 1 Sep 84 p 1]

PAPER CALLS FOR ADHERENCE TO DEMOCRACY

BK211052 Bangkok THAI RAT in Thai 21 Sep 84 p 3

[Editorial: "The Road to Democracy"]

[Text] During the night of 1 April 1981, when the 1 April coup took place, a message by her majesty the queen was broadcast over the radio network of Nakhon Ratchasima Province. It said: "While the country is enjoying peace and advancing on its path to democracy with the king as head of state, a group of people calling themselves the revolutionary party has taken power and claimed to restore peace and happiness to the country. In fact, the revolutionary party is a handful of people that resorted to dictatorship. This, instead of being beneficial to the country, will only create confusion thus opening the way for infiltration by the enemy or those with ill intentions towards Thailand."

The revolutionary party which took over power later on announced its policy declaring "to abolish all forms of dictatorship and to establish the democratic system with the king as head of state, thus giving sovereign power to the entire people." Nevertheless, on 17 September a former army colonel who was also a coup plotter stated that he supports the constitutional amendment making it possible for permanent officials to hold political posts, and supports General Athit Kamlang-ek, who was in charge of suppressing the 1 April coup, to become prime minister. This is all contradictory to the policy of the plotters of the coup on 1 April 1981.

We have reiterated that, in a democratic country, the method of solving national problems--political, economic, or social--is worked out from the grass-roots level, that is, through the political parties elected because their party platforms appeal to the people who hold sovereign power of the nation. That means the people have made their choice of political organizations to stand for them in making decisions.

As we hold that the democratic system is the best form of government for our nation, we should follow the procedure accordingly, that is, to form into political parties which present to the people their respective platforms and compete in the general elections. The parties having majority support from the people will form the government.

We believe that the group of military men who also wish to see democracy in this country will not think that only those with a strong power base can be national leaders. There have been examples in the past of those taking power by staging a coup not being able to hold on to their power forever.

We should understand by now that the democratic system means that sovereign power comes from the people who exercise their power through their elected representatives. Our parliamentary system will survive only when we strictly adhere to that rule.

CSO: 4207/1



BROADCAST RECOUNTS ALLEGED SRV MISDEEDS

BK281412 Bangkok Voice of Free Asia in Cambodian 1300 GMT 27 Sep 84

[Article: "History Repeats Itself in Kampuchea"]

[Text] Dear listeners, the situation in Kampuchea during the past 5 or 6 years reminds us of the saying that history repeats itself, meaning that past events are again repeated in similar or almost identical conditions.

Kampuchea's history for the past 300 and more years tells of Vietnam's Nguyen dynasty's annexing the northeastern part of Kampuchea. Following that, Vietnam has been trying through every means to expand its influence to control Kampuchea. It is not the first time Vietnam has oppressed and maltreated the Kampuchean people. In 1816, the Vietnamese forced tens of thousands Kampucheans to dig the 40-km long Vinh Te Canal linking the Gulf of Thailand to Vietnam's Chau Doc District. That incident cost at least 10,000 Kampuchean lives. It set off a rebellion by Khmer nationalists in 1820. Many Vietnamese positions were attacked, forcing the Vietnamese to ask for reinforcements from Saigon [present-day Ho Chi Minh City] to put down the rebellion. The leader of this rebellion was captured and executed in Saigon; his supporters were decapitated in Phnom Penh. Following this repression, Vietnam fully occupied Kampuchea, politically and administratively. In the economic field, the Vietnamese also controlled rice farming. Furthermore, Vietnam tried to absorb the Kampuchean race by destroying Khmer culture, including language, dress, hairstyles, and eating manners. Most important of all, Vietnam set up an army composed of Khmer soldiers to control their fellow Khmer.

This brief history of events which occurred over 160 years ago has been repeating itself since 1978, for Vietnam has been using the old method of controlling Kampuchea from the central and regional parts of the country to force Kampuchea to receive orders from Vietnamese advisers. Khmer administrators have been forced to learn Vietnamese. As for the Khmer people, they are still being threatened and exploited through savage means which are no different from those of the past. Vietnam has forced Kampuchean peasants to build roads, clear forests and land, and build barracks for Vietnamese soldiers for, currently, there are about 180,000 of them in Kampuchea. These soldiers, who lack food supplies and necessary utensils, are plundering the Kampuchean people's foodstuff. These Vietnamese soldiers not only plunder people's food but also constantly commit various acts against Khmer women. Along with this, Vietnam has brought its people to settle in Kampuchea's rich and fertile areas. Currently, there are no

less than 500,000 Vietnamese nationals who have settled in Kampuchea. One-third of this number live around or in Phnom Penh itself. Everyone knows that Vietnamese nationals settling in Kampuchea have priority over the Khmer people, particularly when it comes to earning a living. Accounts from the Khmer people who have escaped from the country agree that Vietnamese nationals receive special privileges to fish in Kampuchea's Tonle Sap. As for the Khmer people, they are banned from fishing in the area. The Vietnamese who practice farming have been given the best soil. Culturally, Vietnam is using the same method like in the past aimed at destroying and attempting to absorb the Khmer race, which as a long history and aged-old traditions. This method includes such things as introducing the Vietnamese language in the school syllabus or the rewriting of Kampuchean history for teaching Kampuchean youths. Furthermore, support is given to Vietnamese settlers to marry with Kampuchean people. Militarily, Vietnam is carrying out the same activities as in 1830. This involves drafting about 30,000 Khmer youths and setting up an army to control and repress their fellow Khmer.

However, everyone knows that the Phnom Penh soldiers are weak. They have low morale and are incompetent. Furthermore, desertions are frequent and on the increase. Despite the presence of Vietnamese advisers in every unit, the Phnom Penh soldiers still manage to desert and join the Khmer resistance forces. During the past 150 years, Vietnam has been confronted with Khmer rebellions. It started with sporadic insecurity created in 1830 followed by bigger and bigger revolts leading to insecurity throughout the whole country. At first, Vietnamese emperors were convinced of their ability to put down these rebellions through the use of military force along with rewards to Khmer soldiers and people who are willing to work with the Vietnamese. However, the situation did not turn out the way the Vietnamese emperors had anticipated, for the anti-Vietnamese rebellions developed into a protracted war until in 1847 Vietnam was forced to negotiate an agreement with the Khmer and withdrew all its forces from Kampuchea. That was the first time in 36 years that there were no Vietnamese soldiers on Khmer soil.

In present-day Kampuchea, during the initial stage, Vietnam believed it could control the whole of Kampuchea in only a few months. However, history is repeating itself for Vietnam was met with strong active resistance under the leadership of the CGDK, which has united all Khmer nationalists to struggle against the Vietnamese Army. The Khmer resistance forces have received support from the Khmer people. These forces have been developing and are being strengthened. Despite their lack of weapons and war materiel, the Khmer resistance forces have shown their capability and determination. In April of this year, forces of Prime Minister Son Sann were able to repulse the Vietnamese attack against Ampil base. Along with this, these forces have been uniting even more with other Khmer resistance forces. The forces of Samdech Norodom Sihanouk and Son Sann have cooperated in successfully setting up a joint command center. The fact that the CGDK has been receiving increasing support along with the strengthening of the Khmer resistance forces makes people believe that in the end [words indistinct]

CSO: 4212/1

MATICHON ON DANGER OF 'ULTRARIGHTIST SOLDIERS'

BK261045 Bangkok MATICHON in Thai 25 Sep 84 p 4

[Article: "Ultrarightists and Ultraleftists--Parasites in Democracy"]

[Text] Political power in Thailand has not belonged to the people since the revolution that transformed the country from absolute monarchy to the democratic administrative system. Power remains in the hands of the bureaucrats, particularly the soldiers because they are armed. If one looks back, one will realize that political power has moved from the king to the military since the revolution.

Although it is true that we have had more civilians than members of the military establishment as prime minister, no civilian government has ruled the country for over 4 consecutive years. This is despite the fact that our civilian population is 49.8 million while the military population is only about 200,000. The basic duty of soldiers is to defend the country's sovereignty, not to govern the country. Only those who are elected by the people are supposed to have the power and duty to administer the country. This is a principle of the democratic administrative system.

Some soldiers in the past supported the democratic administrative system, while some supported dictatorship. Soldiers who supported democracy included General Phya Phahon Phonphayahasena, Gen Prem, Gen Kriangsak, Gen Kan, and Gen Athit, who opposed the latest coup attempt by the young Turks and pledged that he would never attempt a coup because he is a coup suppressor. As all of us know who among the soldiers supported dictatorship in the past, there is no need to name any. Most of these soldiers were ultrarightists. We now have some ultrarightist soldiers, such as those who are accustomed to making occasional threats against the people whose taxes pay their salaries.

We must accept that it is true that some soldiers aspire to become prime minister and they are ready to use any measure to achieve their aim, be it threats, creation of political pressure with the aim of the mass groups they themselves organized, and coup attempts. They also try to obstruct democratic development, such as by proposing amendment of the Constitution to enable their colleagues or boos to become prime minister or by using some politicians who have sold their souls to propose interpretation of the Constitution. Soldiers with this type of thinking are what hinder democratic development in our

country. They never had faith in the democratic system, though some of them received their education in the United States, which is a world model for democracy.

What is strange is that the mass media--some radio and television stations and some papers--have supported such people.

Do the prime minister and supreme commander, both of whom support the democratic administrative system and oppose coup attempts, want to see a situation in Thailand similar to what has happened in Indonesia and Chile? Do they want to see Thai people killing each other? If they do not and want the democratic system to progress to be like that in civilized countries, they must prevent soldiers having ultrarightist thinking from advancement or from controlling important units of the armed forces lest the country return to dictatorship as in the past or worse.

Individuals who have ultrarightist or ultraleftist thinking are dangerous to the democratic administrative system. For this reason, if we do not want to see Thai fighting each other we must ensure that such individuals never assume powerful posts and that their paths to political power are blocked. The mass media must also help by refraining from reporting about such people. If none of us attach importance to them and if their superiors do not support them, they will never have a chance to bring back dictatorship.

If we want our democratic administrative system to survive and our country not to be looked down upon by civilized countries for being politically underdeveloped, we must cooperate ardently, in particular the prime minister and supreme commander, to block the advance of ultrarightist soldiers.

CSO: 4207/1

## THAILAND-CHILE TRADE GOALS; FUND URGED FOR EASTERN SEABOARD

Bangkok BANGKOK POST in English 24 Aug 84 p 23

## [Text]

THAILAND and Chile yesterday signed a trade agreement and set next year's bilateral trade target at \$5 million (about 115 million baht).

Representing Thailand in signing the agreement was Deputy Commerce Minister Phairojana Jayaphorn, while the Chilean mission was represented by Deputy Economic Minister Jorge Valensuela.

Speaking after the first meeting of the Chile-Thailand Joint Trade Commission yesterday at the Foreign Trade Department, Mr Phairojana said the two sides agreed to set next year's two-way trade at \$5 million.

He said the meeting also agreed to increase the bilateral trade volume every year and to look into trade opportunities to strengthen the trade relationship between Thailand and Chile.

According to Mr Phairojana, the two-way trade was at very low

levels during the past few years and Thailand was suffering trade deficits with Chile all along.

"But we hoped that with the bilateral trade target and trade agreement, we could bridge the trade gap with Chile," he said.

He pointed out that Thailand proposed to sell various items to Chile next year, including 5,000 tons of rice, 1,000 tons of rubber, 50,000 pieces of lens, 200 tons of pineapple, 100 tons of jute products and \$70,000 worth of ready-made garments.

However, the Chilean mission, comprising 11 members from both public and private sectors, did not counter-propose any export items because of lack of advance preparations.

Mr Phairojana added that both parties also expressed interest in pur-

chasing certain products from each other.

Among the items Thailand wanted to export to Chile include home appliances, leather gloves, jewelry, fluorite, barite, aluminium structure, steel pipes, plywood, furniture and artificial flowers, while Chile was interested in selling natural honey bee, fresh and dried fruits, copper and its products to Thailand.

Col Valensuela said his Government was drafting a cooperation agreement on scientific and technological transfer between Chile and Thailand.

He also stressed that both countries agreed to expand trade.

Regarding the transportation problem, Col Valensuela said that although the meeting could not find solutions, it agreed to meet again next year to thrash out the issue.

CSO: 4200/16

INCOME REPATRIATION FROM LIBYA

Bangkok BANGKOK POST in English 10 Sep 84 p 3

[Text]

AT LEAST 10,000 Thai workers who have returned to Libya on a second tour will be urgently needing help in legal and other matters and the Government should set up an office quickly to help them, a construction contractor familiar with their problems suggested yesterday.

Kriengkrai Palawatvichai, who is building a school in Benghazi, Libya, said lack of a Thai consulate or embassy in

Libya was hindering the chances of contract renewal for thousands of Thai workers there as they did not understand English or Arabic in dealing with contracts, visa renewal, passport extension and other matters.

Pointing out that an average worker sends about 100,000 baht a year back home, Mr Kriengkrai said a labour coordinating office should be set up to help the Thai workers who currently number about 30,000, mostly working for Libyan state enterprises and foreign construction companies.

At least 10,000 Thai workers have returned to Libya for a second tour and they were renewing their contracts directly with their employers because they did not want to pay commission to job agencies, he said.

Mr Kriengkrai said many of them faced difficulties because there was no official Thai agency to assist them, unlike workers from the Philippines, South Korea, India, and Sri Lanka who had the benefit of assistance from their embassies or consulates.

Thai workers also needed help in legal matters as many of them had violated Libyan laws such as in gambling, drinking, producing moonshine whisky and engaging in brawls, he said.

Mr Kriengkrai, chairman of the Libyan-Thai International Co, said Libyan demand for Thai workers was decreasing because of the language barrier although it currently needed about 30,000 to 40,000 Thai workers till the end of next year because of their skill and experience.

CSO: 4200/16

## ISRAEL SIGNS TRADE PACT

Bangkok BANGKOK POST in English 20 Sep 84 p 17

[Text] THE Metro group, through its affiliate Chao Phya Co, has entered contracts worth over 3,000 million baht with an Israeli trading firm for the supply of 1 million tons of hard tapioca pellets and 150,000 tons of 100% white rice, according to Bangkok Bank president Chattri Sophonpanich.

The five-year pacts, the first tapioca and rice trade agreement between Thailand and Israel, were signed on Tuesday at the bank's head office on Silom Road by Chao Phya chairman Niran Shanavin and Koortrade Ltd managing director R. Yogev, with the Bangkok Bank acting as the middleman, Mr Chattri told Business Post yesterday.

Presiding over the signing ceremony were Deputy Commerce Minister Phairojana Jayaphorn and Deputy Agriculture Minister Barom Tanthien.

Also present to witness the signing were Permanent Secretary for Agriculture Thalerng Thamrongnawasawat, National Economic and Social Economic and Social Development Board Secretary-General Snoh Unakul, Foreign Trade Department Director-General Danai Tulalambha, Israeli Ambassador to Thailand A. Cohen, Metro group chairman Sawang Laohathai and managing director G. Markurth of Krone Co, West Germany.

Semi-state-owned Koortrade is one of the biggest companies in Israel.

### Deliverty

Mr Chattri said that although the tapioca accord does not state the number of shipments, he expects Chao Phya to deliver to Israel about 200,000-300,000 tons per year.

He added that these tapioca pellets will be mised with vegetable oil to prevent them from disintegrating in transit.

He also said this contract augurs well for Thailand's plan to diversify tapioca export markets from the traditional ones, particularly the European Community which limits imports from Thailand.

Mr Chatri said he is confident that the Thai and Israeli public and private sectors will expand bilateral trade in the near future, specifically because "Israel has responded favourably to trade with Thailand."

Meanwhile, an informed source said the Israeli company will use the tapioca pellets from Thailand for animal feed.

He said that if animal raisers in Israel are satisfied with the quality of Thai tapioca pellets, the Israeli firm will certainly increase imports.

The source also said Israel is expected to buy more rice from Thailand following this first purchase of 50,000 tons.

He added that the purchasing prices for both products have not been fixed and will be based on market prices.

CSO: 4200/16



## 'OIL SHARE' FUND ENTREPRENEUR, METHODS DESCRIBED

## 'Mae Chamoy' Profiled

Bangkok BANGKOK POST in English 15 Sep 84 p 4

[Text]

WHEN Chamoy Thipso speaks, her colourful and persuasive colloquialisms heavily laced with a strong Chinese accent defy the subtle and sophisticated image of the modern-day banker.

"Moy will never collapse. Moy will stay with you. You will all get the interest as you always have," the 44-year-old Chamoy declared to the crowds that flocked to her house to demand the withdrawal of their investments in the wake of stepped-up attacks by the mass media against her multi-million-baht "pyramid" money game. "Moy" is how she addresses herself to others. But she is better known to the public as "Mae Chamoy."

Her down-to-earth style of banking has puzzled many experts. Even more puzzling is the fact that she has managed to maintain her credibility by never failing to meet payments to her clients. This credibility and the unusually high returns on investment she offers to customers seem enough to continue attracting more customers, who receive only a lending contract or a post-dated cheque as guarantee for their investment, despite press reports of her oil-share fund's imminent collapse.

A lot of her clients are upper-middle class people. And women form a major portion of her clientele. But many are doctors, lawyers, military officers, and other professionals, who have so much trust in this former junior official of the Petroleum Authority of Thailand.

No matter what she has done with all the money, there is a consensus among the experts that there is no business that will generate sufficient revenue to enable her to pay such high rates of interest to her clients. So everyone seems to agree that it is most likely that she just uses the money from new investors to pay off old clients. And so long as new clients continue to invest in her oil shares, her operation will continue to flourish.

Just how much money is involved in Mae Chamoy's operation remains a mystery. Newspapers have quoted different sources as saying that the amount could be as high as 8,000 million baht, a figure Mrs Chamoy disputes as highly exaggerated. The correct figure, Mrs Chamoy maintains, is only in "hundreds of millions of baht."

A senior Bank of Thailand official had admiration for the way Mrs Chamoy operates. "There is no question about the superb talents that she has in managing millions or perhaps billions of baht of her clients' money. We have to admire her for that."

The statement was made in the wake of the Government's attempts to put an end to widespread unorganised financial markets, whose operations are largely mysterious and not subject to public scrutiny. Most conspicuous among them is Mae Chamoy's chit fund, which is believed to be the largest, if not the first in the business. The attempts were highlighted by the drafting

of an executive decree to make activities of this nature illegal.

By making such money game operations a criminal offence, the Government hopes to plug the legal loopholes and put an end to these dangerous operations that could affect the economy as well as the Government's stability.

However, the delayed passage of the decree is seen as government tactics to prolong the life of these chit fund operations because their abrupt collapse could hurt newcomers and smaller investors, who most likely stand to lose a lot.

Mrs Chamoy is very friendly and always smiles at clients who turn up to withdraw their money. Her powers of persuasion have helped her through the tough times as the Government and media go after her.

It is widely speculated that if Mae Chamoy's fund managed to survive for several more months, her operation would expand and mushroom in other parts of the country because her reputation and credibility would grow.

A native of Sing Buri, Chamoy received her education at Rajini Bon School. She then opened a hair-dressing shop in Sing Buri before she married the now retired Wing Commander Poj Thipso. They have a teenage son and a daughter. Her son was involved in persuading anxious clients who rushed to her house earlier this week after the Thai-language dailies ran banner headlines about her operation having gone under.

At this moment, it is questionable as to whether Mae Chamoy's operation will go under soon. Experts say it is the matter of when rather than if her operation will collapse.

Her clients have complained that the Government must be held responsible for bringing about the collapse of Mae Chamoy's operation. But the Government would never escape the blame anyway, should it sit still and let the operation grow beyond control and then collapse. If that happened, many more people would suffer than would now.

#### Academics Warn of Problems

Bangkok BANGKOK POST in English 20 Sep 84 p 3

[Text] ACADEMICS defended unconventional monetary institutions yesterday but said some operations could damage the economy as they were not subject to government control.

The views were expressed at a seminar on "Law on unconventional monetary institutions" arranged by the Commerce and Accountancy, and the economic faculties of Thammasat University at the Asia Hotel.

The seminar featured Law Faculty dean Preecha Suwanathud, Political Science lecturer Somchai Pakapaswiat and Commerce and Accountancy lecturer Pitchaya Aschariyakul. The moderator was Prof Sa-ngop Pancharaksa.

Mr Somchai said unconventional institutions had long been in existence and were flourishing because conventional sources like banks, trusts and credit fonciers could not cope with loan demands.

About 33.4 per cent of public savings are held by unconventional monetary concerns whose loan circulation is much bigger than those of conventional institutions, he claimed.

Mr Somchai said the so-called "oil share" business combined bank, trust and gold stock operations that have no legal support and offer higher interest than conventional institutions.

One of the main reasons for the "oil share" boom is the loss of public confidence in conventional concerns following the recent collapse of finance companies.

"Money deposited with finance companies and invested in the stock market at first were described as 'low risk, low return' investments," he said. But after several finance companies collapsed, it then became known as "low risk, no return" investment. "That is when people began turning to 'oil shares'," he said.

While claiming that the collapse of "oil shares" would not have a great impact on commercial banks, he said, however, that their existence posed a problem to the government's financial and monetary policies.

Oil share investors earn a very high rate of return and "there is a tendency for them to acquire expensive consumption habits.

"Furthermore, the Government is denied the use of a sizeable amount of money which could be channelled into useful investments," he said.

Mr Pipat claimed that the monthly 6.5 per cent interest "oil share" operators pay their investors is not much when compared to the amount of interest some moneylenders charge.

One of the drawbacks of the oil share operation is that it is impossible to continue paying high interest to investors when the amount of money involved comes to billions of baht, he said.

Assuming that oil share operations are a type of pyramid money arrangement which draw on contributions of new members, it is therefore necessary to continually attract new members. "This must be the reason why some operators were willing to accept reduced volumes of investment," he said.

Mr Preecha said it was not necessary to pass a new bill to control "oil share" operations since several existing laws could cope with it.

If the "oil shares" were really a pyramid money arrangement game, then it is an attempt to defraud the public.

"Normally, oil share operators tell their clients that they invest the money into certain businesses. If it was found to be otherwise, then the operation could be considered illegal.

"The public prosecutor could then charge the operators with fraud under the criminal law and act as plaintiff in the case," he said.

On top of all these, the Minister of Finance is empowered to control any enterprise whose operation could affect the country's monetary, business and market conditions, he said.

### Athit Warns 'Hands Off'

Bangkok BANGKOK POST in English 20 Sep 84 p 1

[Text] SUPREME Commander General Arthit Kamlangek has suggested that government authorities should not interfere with the Mae Chamoy 'oil share' operation saying that many people will be affected if the business collapses.

The general's suggestion was contained in a reply to a letter addressed to him by one of his advisers, Dr Sivavudh Dhephasdin na Ayudhya.

In the letter, Dr Sivavudh likened the Mae Chamoy 'oil share' business to that of a time bomb whose explosion would have an adverse impact on the country's economic, social and monetary concerns as the business reportedly involves about 8,000 million baht in capital investment.

He said that the best way to tackle the problem was to let the business gradually wind down by itself. This method, he added, requires the cooperation of Mae Chamoy, of Mrs Chamoy Thipso, and also her acceptance of the fact that her business cannot go on forever.

Dr Sivavudh proposed the setting up of an unofficial working group comprising representatives of the Capital City Command, Bank of Thailand, Finance Ministry, Central Intelligence Department and the Police Department to study the Mae Chamoy 'oil share' operation.

Two other alternatives were also proposed by Dr Sivavudh. They are:

--That the 'oil share' business should be allowed to carry on at the risk of investors without any interference from governmental organisations, or

--That measures be introduced to immediately put a halt to the business.

In his reply to Dr Sivavudh's proposals, General Arthit pointed out that the 'oil share' business was a delicate matter and that government officials should stay away from it.

He indicated that the business should be allowed to continue as the investors themselves knew the risks and should take responsibility themselves.

### System Described

Bangkok THE NATION REVIEW in English 29 Aug 84 p 1

[Text] HOW THE "CHAMOY Share" operates to the tune of billions of baht remains a mystery although most bankers believe that it's basically a dexterous way of rotating money, using new members' fund to pay off interests to existing members who are split into various groups.

"Somehow, somewhere, if the link is cut off, the whole chit-fund pool would collapse. And that 's what bankers and government authorities are

afraid of. The chain effects could well be disastrous," said one observer who has carried out a personal investigation into the famous Chamoy share.

It was first believed that when Chamoy Tipyaso started the chit-fund pool, commonly known as "playing shares" among Thais, the fund was used to buy cheap oil which was then resold at high prices, resulting in high profits.

But sources said that as the chain expanded and interest rate offered to "investors" shot up to about 70% per annum, the money pool was reduced to a system of using money from members to attract new money. "That means that it is very important that new members come into the system all the time or else there won't be sufficient money to recycle," said the analysts.

It is assumed that the money game has its centre at Chamoy who started off with the first major loan to one person charging a high interest rate. The first borrower then is required to set up a pool of his own with a group of members. Chamoy bids and wins the money pool and uses that sum to start another pool, jacking up the total sums and interests in the process. Several other pools then were created. This way, the starting fund of about 100,000 baht could grow to 700,000 baht in six months while Chamoy would not have to worry about paying up the monthly contributions because Chamoy's debtors will take care of that in each pool.

In a matter of several years, it would have come as no surprise that the total money in circulation of the chain might grow to 3,000-5,000 million baht.

With so many debtors, Chamoy could play around with the various chit-fund pools headed by her connections. Small brokers trying to get new members have also spread out to the provinces. It has been said that members of the pools under Chamoy's chain get interest rate of about 6.5% per month.

Cheques issued under these pools have been detected at several well-known commercial banks some of which have begun to slow them down for fear of possible negative impact if the "link" is cut loose.

Most observers have been stunned by the high rate of return offered by Chamoy chit-fund pools. As Bangkok Bank's Executive Chairman Amnuay Viravan pointed out last night to reporters: "If the benefit per month is 2%, it would be 30% per year and if it's 6% per month, the person offering it must be able to get 75% return on investment a year."

Dr Amnuay said whether big chit-fund pools could affect the country's economy or not depends on how banks would offer credits.

CSO: 4200/16

THAILAND

# OFFICIAL FORECASTS FUEL OIL SURPLUS IN 1985

BK151019 Bangkok BANGKOK WORLD in English 15 Sep 84 p 11

[Text] Thailand will have a surplus in fuel oil from next year as a result of the doubling early in the year of the nation's natural gas output, the deputy governor of the Petroleum Authority said yesterday.

Phala Sukkhawet said that with the opening of three new gas wells in the Gulf of Thailand, daily production will go up to 450 million cubic feet from the current level of 200 million cubic feet from one well.

He said about 350 million cubic feet will go to a gas separation plant for the production of fuel oil, while the remainder will be used by electricity generating plants.

In 1983 Thailand imported 7.1 million barrels of fuel oil, mainly from Singapore with smaller amounts from the Middle East, according to the Commerce Ministry's fuel oil division.

"Next year we will not only stop imports of fuel oil but will be able to export, which will help reduce overall petroleum imports and will be a vital plus for the nation's economy," Phala said.

He said other members of the Association of Southeast Asian Nations could provide markets for fuel oil exports.

Thailand will continue to import crude oil, kerosene and other oil products.

CSO: 4200/1075

## ROYAL FAMILY EATING HABITS DESCRIBED

Bangkok BANGKOK POST in English 14 Sep 84 p 11

[Text]

HIS Majesty the King's favourite dish is plain stir-fried beansprouts. And the King's preference for simple food is shared by Her Majesty the Queen and other members of the Royal Family, said gourmet M.R.Thanatsri Savastiwat.

"The only difference is that Her Majesty prefers tasty and spicy food while the King likes his food mild and does not like spices at all."

The King's other favourites include shark-fin soup, and other mild-tasting dishes such as wonton soup and noodles.

Like many other women, he said, the Queen likes spicy food especially the north-eastern dishes "Larb" (minced meat with spices), "Som Tam" (spicy papaya salad) and "Pla Ra" (fer-

mented fish).

"As for Her Royal Highness Princess Maha Chakri Sirindhorn," he said to a roar of laughter, "she just eats anything in sight."

According to the popular gourmet, the favourite of the Princess, whose warmth and down-to-earth personality has captured the heart of the nation, is the very fattening "pork's legs."

During his talk on the Royal meals to a group of Rajvithi nurses, M.R. Thanatsri of the "Shell Chuan Chim" fame also talked about the intricate Royal procedures concerning meal serving and the daily large menu of the Royal family in the old days.

Traditionally, a royal dinner comprised 32 dishes followed by 29 desserts and fruit, he said, but the Royal menu was much simpli-

fied during the reign of King Rama VII.

At present there are three kitchens at the Chitrlada Palace to prepare Thai, Chinese and Western dishes for the Royal Family but they also like to try food from outside.

For security reasons, there are officers who sample food before the Royal meals are served, he said.

"And I chose to sample the spirits," laughingly said the gourmet whose love for alcoholic drinks is widely known from his food columns and radio programmes.

He said he once cooked for Their Majesties for one week while the Royal cook, Khuny-ing Tiu Cholamarkvicharn, was on vacation.

The gourmet served simple dishes for a change. His Majesty ordered stir-fried bean-

sprouts for six consecutive days. Her Majesty did the same for the Pla Ra fermented fish "which made my job as a Royal cook very easy," he said good-humouredly.

The gourmet also related several humorous accounts about Princess Sirindhorn's love for food.

Princess Sirindhorn, he said, is not afraid to try strange food; she even enjoys it.

After returning from a Royal visit from China, she asked the gourmet which was better: hilltribes' dog's meat or the dog meat she was served in China.

And when it comes to pork's leg dishes, she can only ask for more. He told of one incident when, after several servings of her favourite dish, the Princess still made a take-home order.

CSO: 4200/16

## THAILAND

### BRIEFS

PRINCE VISITED POLICE STATION--The arrest of the Young Turk Army officers has drawn attention of foreign news agencies, particularly those in Bangkok, which have covered the event very closely. The BBC reported in its evening program on Monday that the arrest has "created considerable concern" at a time of a confusing political situation in Thailand. The report noted that the queen sent her representative to "the police station" where the two colonels were under interrogation and claimed that it had been reported that "the crown prince personally went to the police station." [Excerpt] [BK260936 Bangkok MATUPHUM in Thai 18 Sep 84 pp 1, 16]

CSO: 4207/1



## MILITARY AFFAIRS AND PUBLIC SECURITY

### IMPORTANCE OF STOCKPILING AMMUNITION, FIREPOWER DISCUSSED

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Jul 84 pp 52-56

[Article by Colonel Phan Quoc Tam: "Stockpiling Army Ammunition and Firepower"]

[Text] Firepower and mobility are very basic factors of the modern army in achieving victory during wartime. In contrast to the initial period of World War II, a mechanized infantry division today has a capability in firepower that is many times greater. The firepower of artillery of various types has increased more than thirtyfold (excluding ABC weapons), tanks sixteenfold to eighteenfold, tank machine guns tenfold to fifteenfold, automobiles and armored vehicles thirtyfold to thirty-fivefold, and so forth. Consequently, the density and intensity of attacks by fire together with the mobility of the fighting and the operation also have increased considerably. Blows of annihilation by firepower are carried out by many different types of means in terms of the characteristics and the level of modernization with great depth and high effectiveness. Thanks to strong firepower, attacks can develop at high speed, and detachments can quickly overcome obstacles, promptly develop in depth and on both flanks of the enemy, and pursue and attack the enemy. With the effectiveness of firepower, one can impede the mobility of the enemy, gain time in order to move faster than the enemy, and deceive the enemy at will. Firepower in coordination with construction equipment and barriers will be the basis for the secure line of defense, the main obstacle blocking the enemy advance. Fully utilizing the tremendous capability of the means of firepower, troops can organize defensive positions over a broad front, conduct counterattacks effectively, and quickly switch from defense to counter-attack and attack. The development of firepower makes offensive combat operations and defensive combat operations more and more pervasive and makes offensive operations in defense increase all the more distinctly.

The density and intensity as well as the effectiveness of firepower are dependent on the amount and quality of the army's weaponry along with its employment at the right time and place, the level of command organization and the technical and tactical capabilities of the troops, the special characteristics of the battlefield and the stockpiling, transport, and replacement of ammunition for areas and units in combat, etc. Improving the quality and level of modernization of weapons is a very fundamental direction for improving the effectiveness of firepower. But, the historical experience of wars and battles indicate that no matter what the amount and quality of the weapons and no matter how experienced and skilled in their use, stockpiling, transport and replacement of ammunition also cannot be lacking. With no ammunition or a shortage of ammunition one cannot count on

any firepower. During the past resistance against America, our army and people gave priority to transporting "rice and ammunition" along strategic lines into the south for this reason. Previously, when in the extremely deprived conditions of the early years of the resistance against the French colonialists, there were not so few instances in which several of our cadres and soldiers, even an entire collective at times, could not but destroy weapons and fight with bayonets and bare hands against their stronger enemy only because they were out of ammunition. In such circumstances, one only needs to take several rounds from each soldier's ammunition pouch to know how valuable. Also from such realities one is all the more instilled with stockpiling and replacing ammunition for combat. Even for the modern armies of developing industrialized capitalist nations, this also becomes a large problem demanding the investment of many minds and forces. According to the western press, one of the big embarrassments of the British army during the war against Argentina to occupy the Malvinas Islands in June 1982, was the problem of stockpiling, transporting, and replacing ammunition for all types of weapons and techniques used in the war -- especially new types of weapons.

Because the position and effect of firepower in attacks as well as in defense are increasing today, because the components and the quality of weapons and the means of firepower used in modern battles and operations consist of many types with many different characteristics and effects, as well as because of the special characteristics and nature of the military art of the two sides engaged in combat, the stockpiling and replacement of ammunition today by armies have many new features. It must meet new requirements completely higher than in previous periods. While the aggressor stockpiles the means of firepower and firepower warheads in order to lie in ambush to strike the first strategic firepower blow, the side opposing aggression also must stockpile firepower strong enough to resist and destroy this attack. Stockpiling ammunition and the means of firepower for attacks by fire is not only done on land but also at sea and in the air; is not only for wiping out the enemy at close and medium range but also at long and very long range. Stockpiling is not only for the initial period of war -- the period of material and technical devastation over a short period of time -- but is also for the period which follows and is estimated to last. Stockpile on each line, each direction, and for each front, each operation, etc.

The people's war to defend our fatherland, if it must be waged, will be the all-people, all-round, modern, allied people's war. In this war we will fight the enemy with all the forces of the main force corps [binh doan] and the local armed forces. Immediately henceforth, our frontlines of defense back to our rear lines have been formed and are being more and more firmly strengthened. Consequently, to ensure that our armed forces' firepower is used from afar to close in, scores direct hits in the principal direction and on the main formation of the invading army from the very first hours and day of the war, and achieves great effectiveness and vigorously shows effect during the course of the war, the stockpiling of ammunition and the means of firepower must be carried out according to a unified plan from the Ministry of National Defense-General Staff to the military regions, corps [quan doan], tactical units, and primary level units deployed in all directions and at all positions. This unified stockpiling plan ably supports the strategic deployment of the armed forces on the battlefields -- not only of existing units but also of forces which will be mobilized into the army during wartime; at a minimum, it also ensures that the firepower

during this period's key campaigns is successfully employed while the country's factories switch over from peacetime to wartime. Stockpiling for frontlines is different from stockpiling from rear lines. Stockpiling for principal directions is different from stockpiling for secondary directions. Stockpiling at the military region and corps levels is different from stockpiling at the provincial and district levels, the division and regimental levels. The stockpiling for the first lines, especially in mountain, coastal and island regions, must meet lofty requirements in terms of amount, quality, and uniformity and, at the same time, must have the means of transportation and transportation, management, and storage plans to combat all the destruction by the enemy and by the terrain, weather, and climate. The stockpiling of ammunition and the means of firepower must suit immediate tasks, subsequent tasks, and predetermined combat plans, and the capability and condition of our army, our country, and the field of operations.

The basic means and methods for stockpiling ammunition are to build warehouses and a network of ammunition dumps. Except for that which is carried by the soldiers and artillery units, and which is in transport, all of the army's huge quantity of ammunition is stored in warehouses. The strategic network of warehouses accounts for a very large number storing the army's quantity of ammunition. So this also is the network of warehouses which should receive special attention to organization, maintenance, protection, and awareness of status daily. Because our network of technical equipment today has developed extensively in terms of amount, quality and type, old concepts under previous conditions about warehousing should be changed to fit the new situation. Warehouses storing ammunition and explosives should be built as a project exactly according to specifications dictated by requirements on storing amounts and types of ammunition, on the extent of time they should be stockpiled, on preventing humidity, water, lightning, fire, and deception, and on secrecy. The longer ammunition can be stored at warehouses until use or even not for use, the better, because this also means we are preventing war or there is still a long time until war breaks out. Also because of this, the management, maintenance, and protection of warehouses storing ammunition and the means of firepower, especially the network of warehouses at the strategic level, have very great significance.

To ably and promptly support the army's firepower in war, the ammunition dumps and storage areas at every level should be carefully managed, maintained, and protected. These are tasks demanding a skilled level of organization and essential understanding of the enemy, us, the military, and science and technology. Organization and management of the warehouse network must ensure that the stockpiling of ammunition is conducted in a well-regulated, orderly, safe, and errorless manner, and ensure that ammunition retains quality, does not degenerate over a long time, and is shifted into combat readiness quickly; simultaneously prevents and controls the enemy's many-sided schemes and maneuvers for the war of destruction while helping the long-term stabilization of the warehouse network in peacetime in order to be ready to support wartime. In ammunition dumps, especially those of the network at the operational and strategic level, there are many modern and very modern components in the machinery, chemical, electronics, etc. Therefore, there need be only a small blunder in management, storage, or protection to cause large explosions which destroy scores or hundreds of tons of ammunition and explosives and cause death. Such losses also are large ones for the army's firepower in particular and for its fighting strength in general.

In the army there are stipulations on the function and authority of levels in giving orders to each type and means of firepower moved into different combat readiness situations, for breaking the seal on the charges and fuses of each type of shell, and the level of use of the principal types in given circumstances. Only by satisfactorily executing these stipulations can the factors of the army's firepower be brought into play rationally and economically.

In addition to most being placed in the army's ammunition dumps and reserves, a portion is either in transport or at railroad depots and communications stations, and has not been delivered to stipulated sites. According to scientific calculations, all types of ammunition temporarily left out in the open are figured by day or week and cannot be left out for months at a time or longer. Whether explosives or warheads, large or small calibre shells, or charges, fuses, etc., all should be carefully stored in packages and boxes and carefully stacked, with all aspects of prevention and control ensured whether on the road or already in storage.

Through the network of storage facilities one can understand the quantity of ammunition stockpiled by the army. Likewise, through the storages of ammunition one can deduce and evaluate the firepower index of this army in war. Therefore, ensuring secrecy in transport as well as in organizing and positioning warehouses, and in the types and quality of the ammunition stockpiled in each warehouse, at each level, and on each front is a big problem of national defense. Secrecy is carried out in many ways: stipulating the management functions and authority for each level; stipulating access to storage areas; carrying out camouflage and enemy deception; closely coordinating between the units stationed there and the forces directly managing the warehouse and the locality in order to protect the warehouse. There also must be plans for the forces guarding and managing the warehouses and the network of warehouses deployed for combat readiness, and for supplying and replacing ammunition according to combat plans; there must be plans for attacking the enemy in order to protect the warehouse and plans for the evacuation or movement of the warehouse when necessary, through this regularly ensuring storage of ammunition for firepower in war and on the battlefields.

The close connection between stockpiling ammunition and army firepower makes one think there cannot be commanders hoping a great deal for the unit's firepower without thinking about or ignoring the stockpiling of ammunition and the means of firepower. The commander at each level and in each unit is the one with the highest responsibility and authority in managing, using, and stockpiling the arms and technical equipment within his purview. It is not only until war breaks out and the battle begins that one calculates, organizes, and inspects the stockpiling of ammunition; this must be done regularly during peacetime. The commander must on his own organize and inspect the stockpiling of ammunition and develop the role of the technical, professional organization in this effort.

Currently, a problem which merits attention is to build up and train ranks of specialist cadres and soldiers that have the concept of unconditional support, are knowledgeable about the military and about technology, and are experienced professionally in order to effectively manage, store, and protect the huge quantity of ammunition in the networks of army storage facilities, especially those at the operational and strategic level. Personnel who maintain warehouses and store ammunition must meet standards in political quality and specialist

capabilities. Do not select or permit people who violate discipline, are unhealthy, or cannot be placed in other jobs to guard warehouses. Cadres from the weapons and ammunition sector must be comrades who love the work, are content to serve and have a vocational middle school or college level education, and who are knowledgeable about military science, technology, and economics.

Research in storing ammunition effectively under conditions in which units must be combat ready daily on the first line, on mountain region highpoints, and at coastal and island positions; in climatizing a number of technical equipments and manufacturing a number of equipments to replace the real thing in training and exercises, thereby maintaining quality and saving ammunition, etc., has become extremely important and urgent.

Along with the process of building a regular and modern army, we must perfect and stringently carry out statutes and stipulations in ammunition work. Only by so doing can we help the commander and technical organization, and the cadres and personnel of the weapons and ammunition sector to operate in a more and more regular army way, correctly perform their functions, and ensure that the stockpiling of ammunition increasingly has more quality and satisfactorily supports the requirement to develop the army's firepower in combat readiness situations and in combat to defend the fatherland.

6915

CSO: 4209/449

MILITARY AFFAIRS AND PUBLIC SECURITY

LOC BINH DISTRICT BUILDS NEW DEFENSE LINE

OW251405 Hanoi Domestic Service in Vietnamese 1100 GMT 24 Sep 84

[Text] Loc Binh District, Lang Son Province, has a 51-km-long border with China. The district has instituted many measures to build a secure and strong defense line to firmly defend the fatherland's border.

District officials, along with the local armed forces, made surveys of the border area before setting up a border defense belt. In some areas they have relocated people so they can carry out production while standing combat ready and, if necessary, even engage in fighting.

National defense projects have also been completed in Loc Binh District. Through combat experiences, combat plans have been further improved. Trenches, defense works, and other projects have been built in all the border villages in support of production and combat. Pilot model combat villages have been built in a number of hamlets. Experience has been gained for the rapid construction of combat villages in the other border village.

CSO: 4209/1

INTERNATIONAL RELATIONS, TRADE AND AID

LIBYAN ENVOY CELEBRATES REVOLUTION ANNIVERSARY

OW221155 Hanoi VNA in English 0831 GMT 22 Sep 84

[Text] Hanoi, 21 Sep (VNA)--Ali Ahmed El Bakush, [spelling as received] secretary of the People's Bureau of the Socialist People's Libyan Arab Jamahiriyyah in Hanoi, gave a reception here today in honour of the 15th anniversary of the victory of the Libyan revolution.

Present on the occasion were Do Muoi, Political Bureau member of the Communist Party of Vietnam Central Committee and vice-chairman of the Council of Ministers; Le Khac, minister of foreign trade; Dao Thien Thi, minister of labour; Chu Tam Thuc, minister of finance; Mrs Nguyen Thi Dinh, president of the Women's Union; Tran Danh Tuyen, deputy-head of the party CC's International Department; Vo Van Sung, assistant foreign minister; and representatives of the Defence Ministry, public offices and organizations in Hanoi.

Members of the diplomatic corps were also on hand.

Speaking at the reception, Ali Ahmed El Bakush said that the Libyan people highly valued the achievements recorded by the Vietnamese people and government in national construction and defence. He expressed his joy at the firm development of the friendship between the peoples of Vietnam and Libya and warmly hailed Vietnam's consistent stand of supporting the just struggle of the Palestinian people and other Arab peoples.

In his reply, Do Muoi expressed his joy at the Libyan people's achievements over the past 15 years, and sincerely wished them still bigger achievements in their glorious cause. He strongly condemned the U.S.-led imperialists' aggressive schemes and threat and acts of encirclement and sabotage against the independent and free Libya, and reaffirmed the Vietnamese people's militant solidarity with and resolute support for the Libyan people's struggle to defend their independence, national sovereignty and to build a prosperous country. He expressed the Vietnamese people of gratitude to the Libyan people and Colonel Mu 'Ammar al-Qadhdhafi for their support and assistance to Vietnam in the anti-U.S. resistance war in the past as well as in the national construction and defence at present.

CSO: 4200/3

INTERNATIONAL RELATIONS, TRADE AND AID

INDIAN MILITARY DELEGATION VISITS VIETNAM

OW251730 Hanoi VNA in English 1626 GMT 25 Sep 84

[Text] Hanoi, 25 Sep (VNA)--A delegation of the National Defence College of India led by its deputy director, Air Vice-Marshal P.K. Puri, has visited Vietnam as guests of Senior Lieutenant-General Le Trong Tan, vice-minister of national defence and chief of the General Staff of the Vietnam People's Army.

While here, the delegation was received by Senior Lieutenant-General Le Trong Tan in the presence of Lieutenant-General Tran Van Quang, vice-minister of national defence; Lieutenant-General Phung The Tai, deputy-chief of the General Staff; and Lieutenant-General Le Tu Dong, deputy-director of the Military Institute.

S. Sivaswami, charge d'affaires A.I., and Colonel D.K. Dhawan, military attache, of the Indian Embassy were also present at the reception.

The Indian delegation visited the late President Ho Chi Minh's home and office. They also visited the garrison of the northern border province of Lang Son, a number of air, naval and anti-aircraft units, the 7th military zone headquarters, and Ho Chi Minh City.

In its contact with the Foreign Ministry here the Indian delegation highly praised the Vietnamese people and armed forces' achievements in national construction and defence as well as their effective assistance to the Lao and Kampuchean peoples and armies in the interest of peace and stability in Indochina and in the whole region.

This visit has contributed to the further consolidation and development of the friendship, solidarity and cooperation between Vietnam and India.

CSO: 4200/3



## INTERNATIONAL RELATIONS, TRADE AND AID

### BRIEFS

DELEGATION VISITS LAOS--Hanoi, 22 Sep (VNA)--A delegation of the Vietnamese Commission for Economic and Cultural Cooperation With Laos and Kampuchea (C.E.C.C.L.K.) paid a 3-day friendly visit to Laos ending Thursday. The delegation was led by Tran Quoc Manh, vice chairman of the State Planning Commission and the [head] of C.E.C.C.L.K. While in Laos, the delegation compared notes with its Lao counterpart on issues related to the carrying out of the programs of economic, cultural, scientific and technological cooperation between the two countries. The Vietnamese guests were received by Sali Vongkhamsao, secretary of the Lao People's Revolutionary Party Central Committee and vice chairman of the Council of Ministers. [Text] [OW221123 Hanoi VNA in English 0713 GMT 22 Sep 84]

GENETIC ENGINEERING STATUTE SIGNED--Hanoi, 23 Sep (VNA)--The statutes of the International Centre for Genetic Engineering and Biotechnology (I.C.G.E.B.) were signed by Vietnam's representative at the United Nations at the UN headquarters in New York on 17 September. The signatory was Hoang Bich Son, head of the Vietnamese permanent representation at the UN, who acted on behalf of the Government of the Socialist Republic of Vietnam. Vietnam was by 17 September the 28th country to sign the documents which were adopted at the ministerial plenipotentiary meeting on the establishment of the I.C.G.E.B. held in Madrid from 7-13 September 1983 under the auspices of the United Nations Industrial Development Organization (U.N.I.D.O.). On this occasion Hoang Bich Son also signed the protocol of the reconvened plenipotentiary meeting on the establishment of the I.C.G.E.B., which was held in Vienna from 3-4 April this year. [Text] [OW230939 Hanoi VNA in English 0709 GMT 23 Sep 84]

PHAM VAN DONG RECEIVES FRG ENVOY--Hanoi, 24 Sep (VNA)--Ambassador extraordinary and plenipotentiary of the Federal Republic of Germany today paid a courtesy visit to Chairman of the Council of Ministers Pham Van Dong. The chairman had a cordial talk with the FRG ambassador. [Text] [OW241606 Hanoi VNA in English 1533 GMT 24 Sep 84]

DEFENSE MINISTER GREETES MOZAMBIKAN COUNTERPART--Hanoi, 24 Sep (VNA)--General Van Tien Dung, defence minister, has extended warm greetings to his Mozambican counterpart, Alberto Chipande, on the 20th anniversary of the founding of the Mozambican People's Liberation Armed Forces. The Vietnamese defence minister said in his message: "Over the past 20 years

the Mozambican People's Liberation Armed Forces, promoting their heroic tradition and led by the FRELIMO [Mozambique Liberation Front] Party, have together with their people, overcome post-war difficulties, strengthened their national defence and firmly defended their country, thus contributing to maintaining peace in Africa and the rest of the world." He wished the Mozambican people and armed forces still greater achievements in their revolutionary cause, and wished for the constant consolidation and development of the militant solidarity and friendship between the peoples and armed forces of the two countries. [Text] [OW241646 Hanoi VNA in English 1531 GMT 24 Sep 84]

PHOUMI VONGVICHIT ATTENDS SOCCER MATCH--Hanoi, 24 Sep (VNA)--The visiting soccer team of the Vietnam People's Army Sunday met the Lao People's Army team in Vientiane in its last game of the Laos tour. The game ended two-one (2-1) in favour of the guest team. Phoumi Vongvichit, Political Bureau member of the Lao People's Revolutionary Party Central Committee and vice chairman of the Council of Ministers, and Sisavat Keobounphan, secretary of the LPRP CC, minister of interior and secretary of the Vientiane party committee, were among the 10,000 in attendance. Ambassador Nguyen Xuan and other staff members of the Vietnamese Embassy were also present. Earlier, on 18 September the Vietnamese Army team defeated the Vientiane youth team four-one (4-1) and on 21 September it won two-zero (2-0) over a selected team of the Lao students. [Text] [OW241045 Hanoi VNA in English 0704 GMT 24 Sep 84]

OUTGOING THAI ENVOY--Hanoi, 24 Sep (VNA)--Thai Ambassador Montri Chalichan today paid a farewell visit to Nguyen Huu Tho, vice-president of the State Council and chairman of the National Assembly, before his going home for a new assignment. The Vietnamese leader had a cordial conversation with Montri Chalichan. With him was Le Trang, acting director of the Office of the National Assembly and the State Council. [Text] [OW241604 Hanoi VNA in English 1534 GMT 24 Sep 84]

GROUP LEAVES FOR ULAANBAATAR--Hanoi, 25 Sep (VNA)--A delegation of the Vietnam-Mongolia Friendship Association led by its President Nguyen Quang Xa left here today to visit Mongolia at the invitation of the Mongolia-Vietnam Friendship Association. The delegation was seen off by Trinh Ngoc Thai, secretary general of the Vietnam Committee for Solidarity and Friendship With Other Peoples, and Mongolian Ambassador R. Gunsen. [Text] [OW251734 Hanoi VNA in English 1631 GMT 25 Sep 84]

GREETINGS TO YAR LEADERS--Hanoi, 25 Sep (VNA)--President of the State Council Truong Chinh today sent a message of greetings to President 'Ali 'Abdallah Salih on the 22nd national day of the Arab Republic of Yemen [YAR] (26 September). The message wished for the prosperity of the Arab Republic of Yemen, the happiness of the YAR people and the further development and consolidation of the friendship between the YAR and Vietnam. On this occasion, Foreign Minister Nguyen Co Thach has also sent his greetings to his counterpart in the Arab Republic of Yemen, Al-Malik 'Abd al-Malik al-Asbahi. [Text] [OW251954 Hanoi VNA in English 1539 GMT 25 Sep 84]

PHAM VAN DONG RECEIVES DRA ENVOY--Hanoi, 26 Sep (VNA)--Pham Van Dong, chairman of the Council of Ministers, received here today Abdul Wakil, ambassador extraordinary and plenipotentiary of the Democratic Republic of Afghanistan, who made a courtesy call on him. Chairman Pham Van Dong had a cordial talk with the Afghan ambassador. [Text] [OW261744 Hanoi VNA in English 1547 GMT 26 Sep 84]

LAO DELEGATION ENDS VISIT--Hanoi, 26 Sep (VNA)--A delegation of the office of the Lao People's Revolutionary Party Central Committee led by Kham Bon [name as received], acting director of the office, and of the office of the Council of Ministers, paid a 16-day visit to Vietnam ending 22 September. While in Vietnam, it had working sessions with the Office of the Communist Party of Vietnam Central Committee and its finance and management board, and the Office of the Council of Ministers. It was received by Secretary of the CPV CC Hoang Tung on 21 September. [Text] [OW260805 Hanoi VNA in English 0704 GMT 26 Sep 84]

DELEGATION RETURNS FROM HUNGARY--Hanoi, 26 Sep (VNA)--A delegation of the Vietnam Fatherland Front led by Huynh Tan Phat, president of the Presidium of the front's Central Committee, returned to Hanoi today from a visit to Hungary as guest of the National Council of the Hungarian Patriotic People's Front. Huynh Tan Phat said he had left Hungary with deep impressions about its beautiful land, the hospitality, and industriousness and creativity in labour of the Hungarian people who have recorded brilliant economic achievements. He said he was very pleased with the fine results of his visit to Hungary, regarding it as a practical contribution to strengthening the friendship and fraternal cooperation between the peoples and the national fronts of Vietnam and Hungary. [Text] [OW270225 Hanoi VNA in English 1632 GMT 26 Sep 84]

LE DUAN CABLES BURMESE LEADERS--Hanoi, 26 Sep (VNA)--When crossing Burma on his trip home from India, General Secretary of the Communist Party of Vietnam Le Duan today sent the following message to U Ne Win, general secretary of the Burmese Socialist Programme Party, and U San Yu, president of the Socialist Republic of Burma: "On my way home from India, one again, [as received] I extend my best greetings to your excellencies." [Text] [OW261742 Hanoi VNA in English 1550 GMT 26 Sep 84]

NEW HUNGARIAN ENVOY--Hanoi, 26 Sep (VNA)--Bela Benyei, ambassador extraordinary and plenipotentiary of the Hungarian People's Republic to Vietnam, presented his credentials here today to Vice President of the State Council Nguyen Huu Tho. Also present on the occasion were Le Trang, acting director of the Office of the State Council and National Assembly, and Ha Van Lau, deputy minister for foreign affairs. [Text] [OW261738 Hanoi VNA in English 1545 GMT 26 Sep 84]

SOVIET AID TO TEACHER'S COLLEGE--Teacher's College No 2 of the Vocational General Department recently received 128 metric tons of equipment and teaching aids provided by the Soviet Union. Teachers and cadres of the college have installed much equipment and many of the machines in various training rooms. They are striving to complete various projects to greet the anniversary of the Soviet Union's Great October Revolution. [Summary] [BK191410 Hanoi Domestic Service in Vietnamese 2300 GMT 17 Sep 84 BK]

YOUTH ACTIVITIES IN CSSR--The Ho Chi Minh Communist Youth Union's (HCMCYU) Party Affairs Committee in Czechoslovakia recently launched a drive to support the people and soldiers in Ha Tuyen Province. Members of the HCMCYU in Prague, major cities, and factories in Czechoslovakia have so far sent letters and more than 200 kg of goods comprising radios, fabric, and clothes to help Vietnamese youths and combatants in the border areas of Ha Tuyen Province. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 17 Sep 84 BK]

CSO: 4209/1

## ECONOMIC PLANNING, TRADE AND FINANCE

### SOUTHERNERS RESENT 'CARPETBAGGER' ADMINISTRATION

Frankfurt/Main FRANKFURTER ALLGEMEINE ZEITUNG in German 27 Aug 84 p 3

[Article by Erhard Haubold: "Abandoned by the West--Caustic Words About the New, Bitter Words About the Old Masters in South Vietnam"]

[Text] Ho Chi Minh City, 26 August--The director of a large official organization in Saigon relates that his computer dates back to "American times" and is obsolete. He was able to amass \$200,000 in foreign currency, quite an accomplishment in impoverished Vietnam; but IBM is refusing delivery, and Siemens informed him that it did not want to do business without its own representation in Saigon. The Western embargo on shipments, which exempts only humanitarian aid, was instituted as punishment for the Vietnamese invasion of Kampuchea and after 5 years still functions remarkably well. Vietnam is unable to obtain important machinery and spare parts, especially from the United States and the Federal Republic of Germany. When China too ceased to be a source, the East bloc, particularly the Soviet Union and the German Democratic Republic, remains as the sole supplier.

Even though not everybody is inclined to justify the invasion of Kampuchea, none of the intellectuals one meets in Saigon or in the delta's university city of Can Tho approves of the Western response (such conversations are still possible in the South, even without supervision). The graduates of American and French Universities, of which South Vietnam has quite a few, feel isolated. They receive neither books nor periodicals from the West and are grateful for any "little gift" from travelers, such as TIME or LE MONDE. In this Eastern cultural and information environment they feel pushed aside. At this time only Moscow provides a foreign publication specifically designed for Vietnam. Telephone connections within 3 minutes are only possible with Moscow. There is also a corresponding rise in the influence of North Vietnamese cadres, many of whom attended Soviet schools, who are pushing their way into the good jobs.

A professor in Can Tho said that he would like to visit his old alma mater in the United States but by plane and not in a refugee boat. His colleague, who was educated in Japan, has been offered \$53,000 by the American OXFAM relief organization for two educational projects. However, the State Department in Washington later refused to give its approval. "Even the smallest amounts mean so much to us," commented an agricultural scientist who had returned to Saigon from the West 28 days before the arrival of the communists. He is one of those

intellectuals who before 1975 had been nationalists, but not necessarily procommunist, and are convinced that a reunified Vietnam could find its own way without foreign interference.

Quite a few of them took to the boats, disappointed by the manner in which the communist victors had pushed the "Third Force" into a corner. However, others remained; they really want to remain because they believe that they are needed. They place their hopes on the younger, liberal, elements in the politburo such as Deputy Prime Minister Vo Van Kiet (who is from the South). They feel betrayed by the Americans and abandoned by the West. One of these intellectuals--who had received several offers to board one of the last airplanes leaving Saigon, although he had not applied for a seat--complained that first the most qualified people had been lured to the West and that "now they are hurting us." Chinese black marketeers from Cholon are much more effective in undermining communism than the Americans with their embargo will ever be. "Although we have always been anticommunist," said the professor, "we cannot regard the communists as sinister devils."

Another, with an MBA from Harvard, "sometimes feels like just climbing into the next refugee boat," so upset is he by the sight of often paunchy, Russians sunning themselves at the Vungtau beach, neatly separated from the Vietnamese guests, and paying 60 dong, the weekly wage of a Vietnamese chauffeur, for three crabs. Most comments about the new allies are caustic. Russians are seen as arrogant and racist; nevertheless, they alone supply crude oil, machinery, and modern weapons. What then can be done? The accusation of becoming increasingly tied to the Soviets is considered unjust. The Harvard economist argues that contact with the West would help those who oppose the primarily North Vietnamese "Stalinists" by wanting to base Vietnam's economy on the model of Yugoslavia and Hungary. One could rely on Western-trained economic experts of whom there are more than 100 in Saigon alone. He also stated that the West is myopic in ignoring this group. The fact that the boycott pushes Vietnam ever more into Moscow's sphere of influence is not the only consideration. The West, especially the United States, should also consider the possibility that the Chinese market, which so far has been the primary focus, may not have the hoped-for absorbing capacity. On the other hand, by the year 2000 Vietnam will have about 80 million inhabitants (there are now 60 million). Japan is not ignoring this market even today. With regard to imported goods, Japan today is Vietnam's most important supplier--Western embargo or not.

"In Order to Accomplish Something, One has to be There"

Conversation partners said that if one wanted to advance human rights through dissolution of the re-education camps (which have existed for almost 10 years), one should be represented by development experts, investments, and a consulate (the only Western country to maintain one is France). In this manner, according to Western diplomats in Hanoi, even the isolation of many functionaries could be penetrated and their knowledge of the West enhanced. Since the beginning of the colonial war more than 40 years ago, contacts for these functionaries have been confined to Russians and Chinese; they do not know the rest of the world. As a result they tend to be suspicious and awkward. One could also

mention the views of a Can Tho professor who maintains that humanitarian aid may fill the stomach, but that only Western development aid could solve the problems of hunger and refugees. If Vietnam were a better country, fewer people would want to leave. Western aid for "new economic zones" would be more meaningful than aid to refugees arriving in the West.

These are good arguments but they also contain some illusions. They do not eliminate the problem of Kampuchea nor Vietnam's unwillingness to compromise. They also overlook that "nothing will change in Indochina if Ronald Reagan is re-elected American President," to quote Singapore Prime Minister Lee Kuan Yew. For the United States the relationship with China, Japan and South Korea, as well as the Association of Southeast Asian Nations /ASEAN/ has priority. Recently, pressure on the Western allies to follow this line is also believed to have increased. Window stickers on automobiles of East German diplomats can therefore proclaim that "Vietnam remains our business." Vietnam continues to be isolated. "The climate here is frigid," commented a high-ranking diplomat from the embassy in Bonn. This, however, is not only caused by the Kampuchea boycott but also by Vietnam's refusal to accept the Berlin clause for bilateral agreements.

It should be added that Vietnam makes things difficult even for its friends. The ambassador of Sweden--which together with the German Democratic Republic occupies second place among donating countries--wanted to bid farewell at the airport to a delegation departing for Stockholm to request additional aid, but he was not allowed to enter the airplane. Just as the Chinese did in the past, Soviet diplomats and technicians today complain about the "ingratitude" of Hanoi's leaders. Ahrens, the new West German ambassador, is now moving into a hotel with his wife and children. Although located near the city's center on a street with beautiful trees, it is in miserable condition. His predecessor Claus Vollers had already chased rats in the "Thong Nhat" (reunification) Hotel and had meals for his guests prepared in a combination of kitchen, bathroom and toilet. The electric power and water supplies are frequently interrupted, the linoleum in the halls is torn, and there is a smell of Lysol everywhere. This has been the "residence" of the West German ambassador for almost 10 years, even though Vietnam claims to be interested in the Federal Republic's business potential. Is this the way to establish and maintain a relationship?

Through persistent efforts over several years, Vollers succeeded in obtaining exit permits for former local employees of the embassy and the Goethe Institute in Saigon who have waited patiently there since 1975. His success was due not least to his previous Indochina experiences in Kampuchea and Laos. About 200 people could take a plane to the Federal Republic. The residence problem has been the subject of unsuccessful negotiations for years. Of the last three properties offered, one is much too small in the opinion of the West Germans, while the other two would require expensive renovations. By contrast, the East German diplomats have about a dozen residential houses. The Bonn representatives hold that such discrepancies are related to the diplomatic pecking order in Hanoi in which the Federal Republic is almost last, just ahead of the Americans. The Vietnamese, on the other hand, maintain that they have made great efforts and released the best of their few well-preserved houses. "We were at war for 30 years and the rich Germans begrudge every penny (for repairs)," comments Hanoi. Seven years ago this socialist country had to invest almost DM2 million in its property in Bonn.

The explanation is perhaps to be found elsewhere. The Foreign Ministry under the experienced Nguyen Cho Thach has revealed itself repeatedly as being quite cooperative but it cannot assert itself against the Ministry of the Interior--much more powerful in communist countries--and against the military and police apparatus. Negotiations about this matter are to be resumed in the fall when Von Pfetten, chief of the Southeast Asia desk in the Foreign Office, will visit the capital of Vietnam. Such a relatively high-ranking visit is remarkable but it does not mean that a Genscher visit to Hanoi is in the offing. It is said that contacts are to be continued with Nguyen Co Thach--who paid a visit to Bonn 3 years ago and, at that time, was allegedly confronted by Genscher with harsh arguments--but somewhere else, maybe at the general UN meeting in New York. In other words, no "thaw" but rather a policy of taking small steps, while Bonn awaits greater flexibility from the other side. In this context, it is also significant that 27,000 Vietnamese refugees have in the meantime settled in the Federal Republic and that others will follow as part of the family reunification program and the UN Refugee Commissioner's (functioning) "regular emigration program."

12628

CSO: 4620/58



## AGRICULTURE

### BRIEFS

NGHE TINH GRAIN DELIVERY--By 31 August, Nghe Tinh Province had delivered 35,000 metric tons of grain to state granaries, exceeding the grain collection plan for 1984 by 5.9 percent and producing an increase of nearly 10 percent over last year. The province has also exceeded the plan for the delivery of grain to the central government by 25 percent. [Summary] [BK240955 Hanoi Domestic Service in Vietnamese 0500 GMT 21 Sep 84 BK]

LONG AN EMBANKMENT--The local people, cadres, students, and members of the armed and public security forces in Ben Luc, Thu Thua, and Vam Co districts and in Tan An City of Long An Province have contributed nearly 30,000 man-days to building a 35 km-long embankment along National Route No 1 to prevent more than 20,000 hectares of 10th-month and early winter-spring rice from becoming waterlogged. [Summary] [OW241213 Hanoi Domestic Service in Vietnamese 1100 GMT 23 Sep 84 OW]

CSO: 4209/1

## PUBLICATIONS

### JULY TAP CHI QUAN DOI NHAN DAN TABLE OF CONTENTS

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Jul 84 p 72

Table of Contents, TAP CHI QUAN DOI NHAN DAN, July 1984

Text Editorial - Resolutely Defeat the War of Sabotage and Usurpation Actions  
by the Invading Chinese Army p 1

Major General Nguyen The Bon - Several Key Problems in Combat Training Presently  
p 7

Major General Le Thanh Van - Smash FULRO and Defeat the War of Sabotage on the  
Central Highlands Field of Operation p 18

Major General Ho Ba Phuc - On the Question of Mobilizing People to Participate  
in Building Local Armed Forces in the Mekong River Delta Region p 27

Major General Le Khoa - Several Problems in Financial Work in Our Army Presently  
p 38

## RESEARCH

Lieutenant Colonel Nguyen Dinh Thach - Artillery Mobility p 44

Lieutenant Colonel Phan Quoc Tam - Stockpiling Army Ammunition and Firepower  
p 52

## IN THE RESISTANCE AGAINST AMERICA FOR NATIONAL SALVATION

Senior Colonel Hong Linh - Bac Ai: A Staunch District Fortress p 57

## FOREIGN MILITARY MATTERS

Duong Van - "Rapid Deployment Forces," A Tool of the American Imperialists'  
Blitzkrieg War of Aggression p 65

6915

CSO: 4209/449

## DISSIDENT EMIGRE PRESS

### EMIGRE PUBLICATION DETAILS SOVIET CONTROL OF CAM RANH BAY

Beijing TIN VIET NAM in Vietnamese No 38, Apr 84 pp 7-14

[Article by Le Anh Tuan: "Vietnam No Longer Has Sovereignty Over Cam Ranh"; this publication, originating agency not indicated, represents the anti-Le Duan regime position of the Vietnamese dissident emigres in the PRC.]

[Text] As we know, Cam Ranh Bay has been turned over by the Le Duan regime to the Russians to use. However, not many persons know that Vietnam no longer has sovereignty over Cam Ranh. To gain an understanding of the facts, allow us to relate what N.V.T., a former resident of Cam Ranh who recently fled the country, told us with very deep sadness:

#### 1. The Preparations for Welcoming the Russians to Cam Ranh

In late 1978, after the so called "Vietnam-Soviet Union Treaty of Friendship and Cooperation" was signed, the Le Duan regime immediately issued secret instructions to a number of units to make preparations for welcoming the Russians to Cam Ranh Bay. This task was directly carried out by one special operations regiment, the Rear Area Naval Command and the Phu Khanh Provincial Party Committee. The first step taken by these units was to drive all the citizens of My Ca Village from the Cam Ranh peninsula. In mid-January 1979, they sent armed troops, whose weapons even included B-40 mortars, to surround the My Ca Monastery, whereupon they ordered all 18 Vietnamese monks and priests inside the monastery to immediately leave the peninsula with nothing more than their clothing, mosquito nets and daily essentials. Items such as TV's, electric fans, tables, chairs, guestroom furniture, beds and dressers had to be left in place. Then, it was decided to move all the citizens of My Ca Village (nearly 40 families) to the Cam Phuoc new economic zone in Phu Khanh Province. Before moving these families out, they announced that each family would only be given 400 dong to cover transportation costs. On top of this, they forced these families to leave their houses and fruit orchards intact.

Prior to this forced evacuation, the people of My Ca Village attempted to reason with the regime and asked that they be allowed to continue living in the village so that they could earn their livings by tending to the fruit trees that their ancestors had planted several generations ago. They argued

that if they were to abandon their village and take nothing with them, they would have to be paid appropriate compensation so that they could resume and stabilize their lives upon arrival in the new economic zone. Although the reasons advanced by the Le Duan regime in the face of these demands were utterly unconvincing, the regime still used repressive force to take all their houses and thousands of mango, coconut and banana trees from them.

Unwilling to submit to these brazen and inhumane acts of robbery, one priest and three monks violently resisted but were immediately thrown into a canvas covered truck and taken away, never to be seen again. Enraged with anger, other families of the village demolished their houses and threw all of their hog manure, cattle manure and dead chickens into their wells before agreeing to leave at the point of bayonets and guns. As for the 400 dong, everyone declined to accept the money, and commented sarcastically: "We respectfully give these 400 dong as a gift to the government of Mr. Duan."

## 2. The Establishment of a Security Belt Around the Cam Ranh Peninsula

To establish a security belt around the Cam Ranh peninsula, the Le Duan regime, after driving all the priests, monks and citizens from My Ca Village, ordered the destruction of the Catholics' crucifixes and statues of Christ; the removal of the graves of village citizens in the cemetery; and the suppression of persons whom they called "undesirable elements" or "the eyes and ears of the opposition." They ordered the closing of photography studios, soft drink shops and restaurants operated by citizens because they maintained that they were places where people gathered to learn news, collect intelligence information, military secrets, etc. Still not finished, the Le Duan regime arrogantly enacted regulations prohibiting fishing boats of the people from operating in the area of Cam Ranh Bay, which included elderly people and children looking for crabs and snails. As a result, the family businesses in commerce, small industry and fishing in the town of Ba Ngoi (the town that lies on the western shore of the Cam Ranh peninsula) were cut off from their livelihoods and had to move elsewhere. During the first 6 months of 1979 alone, more than 3,000 persons in Cam Ranh District, including the family of the deputy secretary of the district party committee, fled the country by sea. At present, about two-thirds of the population of the town of Ba Ngoi are Le Duan people, from public security and secret service personnel to cadres and wives and children of officers of the Le Duan army.

Although the establishment of a security belt around the peninsula had been completed, the Le Duan regime was still not content. They planted additional mines and erected additional barbed wire at places considered to be strategically important, especially in the vicinity of the Long Ho Bridge, the only link between the Cam Ranh peninsula and the town of Ba Ngoi. In addition, they also sent in a frogman platoon, which is on constant call at the foot of the bridge to guard against someone sabotaging the bridge from underwater, and established a Belgian Shepherd canine company to block access to the northern portion of the peninsula, a company which conducts patrols and searches around-the-clock.

### 3. Building the "Soviet Village" in Cam Ranh

In March, 1979, the Le Duan regime sent the Phu Khanh Provincial Housing Construction Corporation and the Rear Service Department of the Naval Command to Cam Ranh to hurriedly build the "Soviet village," which consists of dozens of two-story buildings complete with conveniences. In addition, there are merchandise, fruit and food stores, bars, parks and a "cultural center"(essentially a nightclub) to provide for the relaxation and entertainment of the Russians. The "Soviet village," which lies in a north to south arc, serves to prevent observation from Ba Ngoi of the submarine dock and command post of the Russians by means of binoculars and telescopes. Five regular guard stations have been constructed. Station number 1 is located next to the town of Ba Ngoi; station number 2 is located at the head of the Long Ho Bridge; and the other three stations are in the vicinity of the airport and along the road leading to the Russians' command post. The observation towers, control tower and the high powered radar approach system that were there previously have been repaired.

The preparations were quickly completed. In early September, 1979, the Russians' advance unit arrived in Cam Ranh to check out the military facilities and present a so called plan for coordinated action between Vietnam and the Russians. Under the provisions of this plan, Vietnam assumed responsibility for operating guard stations number 1 and number 2 (that is, the Long Ho Bridge). The Russians are directly in charge of the stations from guard station number 3 to the command post.

### 4. Vietnamese Troops Withdraw To Make Way for the Russians

In early 1980, the majority of the Vietnamese troops stationed in Cam Ranh were ordered to withdraw to make way for the arrival of the Russians by air and sea. As each contingent of Russians arrived, a contingent of Vietnamese troops withdrew. Within the space of slightly more than 30 days, Vietnam withdrew the entire Special Operations Regiment and the 126th Marine Brigade (about 8,000 men). Today, Vietnamese troops have virtually withdrawn completely from Cam Ranh; all that remain are a number of units that serve in the capacity of a perfunctory military agency.

The arrival of the Russians was followed by a steady stream of trucks, planes and ships bringing in equipment and weapons. Once they alone had the right to use Cam Ranh Bay, the Russians promptly cancelled every provision to which the two sides had previously agreed. For example, Vietnamese troops are in charge of guard stations number 1 and number 2, in charge of checking arriving and departing vehicles; now, whenever the troops at these stations see a Russian vehicle approaching, they must open the gate immediately and are not permitted to stop the vehicle or ask any questions whatsoever. Before conducting any activities, the several remaining Vietnamese military units must inform the Russians. Security on the peninsula is controlled entirely by the Russians. Vietnamese aircraft and ships may not pass through the Cam Ranh zone. Moreover, a separate curfew has been put into effect for Vietnamese troops from 1800 to 0600 hours each day; violators of this curfew, be they enlisted personnel or officers, are shot to death.

Upset by what he was witnessing, one of Le Duan's high ranking officers exclaimed: "Now not even we know what our 'friends' are doing, only God knows."

##### 5. Cam Ranh, the Largest Military Base of the Soviet Union in Southeast Asia

In late 1980, the Russians sent to Cam Ranh Bay a rather large quantity of war equipment, consisting of four TU-95 electronic reconnaissance aircraft and two BE-12 and K-25 submarine hunter squadrons. The operating range of the fixed wing BE-12 is 400 nautical miles while that of the K-25 helicopter is 200 nautical miles. Both are equipped with missile guidance systems, transponders (Cr02) and laser target acquisition and detection systems. The capabilities of these two types of aircraft enable the submarines of the Russians to safely enter and leave Cam Ranh Bay and avoid every obstacle that they might encounter when arriving in port or docking.

To command the various types of submarines operating in the South Pacific and maintain direct communications with the Far Eastern military base, the Russians built a telecommunications and electronic surveillance station near the Cam Ranh base command post. Deserving of attention is that the Russians have now sent to Cam Ranh a TJ-22 strategic bomber regiment and a standing reserve force of the aircraft carrier Minsk consisting of about 30 vertical take off and landing YJK-42 jet aircraft.

The Russians have been developing and continue to develop the potentials of Cam Ranh Bay in order to build such military projects as underwater fuel dumps, hiding places for atomic submarines, submarine and battleship repair facilities, an aircraft repair facility and so forth. They have completed the parking areas for large and medium size aircraft (the ones previously built by the United States for heavy transport and fighter aircraft). They have built additional medium size hangars for their aircraft and to conceal the secret unloading of aircraft. They have truly turned Cam Ranh into a military base of the Russians, the largest in Southeast Asia.

To clearly understand the nature of the danger that the Russians have brought to Cam Ranh, listen to the introductory statement made by a Russian officer to a high ranking military delegation of Vietnam upon their arrival for a tour of a Soviet atomic submarine in Cam Ranh Bay in February, 1981. The statement contained the following words: "Today, Cam Ranh can protect the vital interests of the Soviet Union and help the Soviet Union maintain the initiative in the South China Sea."

The events described above clearly show that, today, Cam Ranh is no longer under Vietnamese sovereignty, it is a territorial possession of the Russians on Vietnamese soil. The Russians can use Cam Ranh Bay to launch attacks against countries in the surrounding region, the closest being China, Japan and the countries of Southeast Asia. A Vietnam that allows itself to be used

by the Russians in attacks against other countries in this way while smugly maintaining that the opposition will not attack or destroy it is indeed so naive and stupid as to defy imagination!

The crimes of Le Duan against the people and the fatherland of Vietnam cannot be tolerated!

7809

CSO: 4209/415

STATE POLICY BLAMED FOR DROP IN VEGETABLE PRODUCTION

Beijing TIN VIET NAM in Vietnamese No 38, Apr 84 pp 23-25

[Article by Hoang Van Chau: "The Supply of Subsidiary Food Crops and Green Vegetables Steadily Declines"; this publication, originating agency not indicated, represents the anti-Le Duan regime position of the Vietnamese dissident emigres in the PRC.]

[Text] In Vietnam, subsidiary food crops are indispensable among the various types of grain. Our people have the saying: "If you want to fill yourself up, eat potatoes; if its energy you want, eat subsidiary food crops." Subsidiary food crops constitute an important percentage, 12 to 45 percent, of total grain output in the various areas of the country. However, since 1980, subsidiary food crop output has been steadily declining. According to data compiled by the Vietnam Statistics General Department, subsidiary food crop output fell short of the plan quota during the 1983 winter-spring season and was lower than in 1982. Subsidiary food crop output in paddy equivalent declined 23.8 percent nationwide compared to 1982. Output declined by 24.3 percent in the northern provinces and 20.9 percent in the southern provinces.

In Ha Nam Ninh Province, subsidiary food crop output in 1982 equalled only 75 percent of the output recorded in 1980; during the 1983 winter-spring season, subsidiary food crop production continued to decline in terms of both the amount of area under cultivation and yield, with output in paddy equivalent only reaching 20,000 tons, less than 30 percent of the plan. In Hai Hung Province, winter-spring subsidiary food crop output declined by 45,000 tons compared to 1982, a year during which the plan was not met. In Vinh Phu Province, a cooperative that once raised nearly 100 hectares of cassava is now raising only 50. Cassava output has declined from 300 kilograms per sao to only 250 kilograms now.

Green vegetables are also becoming a serious problem. During the war, the government always provided a regular supply of green vegetables to the people. Today, however, green vegetables are in short supply and expensive.

In a number of villages and districts in the outskirts of Hanoi, such as Long Bien District [as published], which is an installation that specializes in vegetable production, no one wants to raise vegetables any longer. According to the chairman of the village people's committee, the main reason is a policy



problem. According to regulations, cooperative members supply vegetables to the state and the state supplies grain to cooperative members who raise vegetables. However, it was not until the middle of June last year that the cooperative members in this village received their supply of grain for the 1st quarter. In Quang An Village, there was no grain to sell to farmers who raised vegetables for 72 consecutive days. In Me Linh Village, farmers sold to the state agricultural products worth 3,900,000 dong; however, the vegetable and fruit procurement agents have only paid them the 90,000 dong, payment of the 3,000,000 dong and more than 300 tons of grain in "two-way trade" has been repeatedly postponed. No one has paid any attention to the cooperative members' persistent pleas. Once, cooperative members packed food for themselves and travelled tens of kilometers to pick up their paddy; however, when they arrived, they found that the granary had been cleaned out, less than 10 tons were on hand. They complained that they "would rather not be party to such business transactions." On top of this, the grain supply policy has now been changed. Previously, when farmers in an area specialized in vegetable production, the entire area was supplied 12.6 kilograms of grain per capita per month. Now, however, grain is only supplied to laborers. In Quang An Village, in addition to the 280 laborers who raise vegetables, there are 229 persons who are too old to work and 578 small children who are not supplied with grain, consequently, vegetable growers must look for ways to buy additional grain for their families. Thanh Tri District has 14 cooperatives that raise vegetables but as many as 10 cooperatives that lack grain. Therefore, farmers have stopped raising vegetables and shifted to grain production. In 1981, there were more than 16,000 hectares under the cultivation of vegetables; in 1982, vegetable production declined by 2,000 hectares and there was a decline a 723 hectares last year.

Another problem is that the state usually procures vegetables from citizens at arbitrary prices. According to regulations, the state is supposed to pay 1.10 dong per kilogram for the vegetables it procures; however, it actually only pays 0.70 dong, more than 30 percent less. When the state sells these vegetables, the price is raised and the quality is very poor. The people complain that: "As for the vegetables being sold, much more is thrown to the hogs than can be fed to humans."

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